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RESTAURANT CULTURES
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11/28	Baltimore, MD
11/29	Pittsburgh, PA

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12/7	Seattle, WA

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12/4-5	Orlando, FL

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Note: *All Chicago seminars are held in The Educational Foundation's Conference Center at 250 S. Wacker Drive.*

For information, contact:
Educational Foundation of the National Restaurant Association
250 South Wacker Drive
Chicago, IL 60606
(312) 715-1010 or 1-800-522-7578

If your company is interested in our in-house programs, call or write to the attention of Jeff Harrison at the above address.

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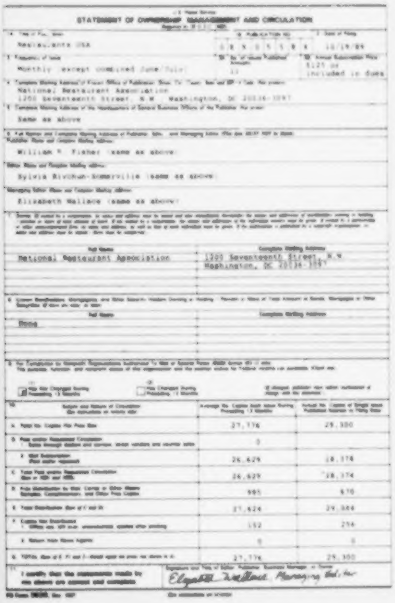
The Executive Study Groups present semi-annual professional development programs for executives who would like to meet with their industry peers to share ideas and concerns. Executives in each of the aforementioned disciplines from member foodservice companies are welcome and encouraged to participate.



STATEMENT OF OWNERSHIP, MANAGEMENT AND CIRCULATION

Restaurants USA

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11

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1200 Seventeenth Street, N.W., Washington, DC 20036-3097

Same as above

William P. Fisher (same as above)

Sylvia Rivchun-Somerville (same as above)

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2.	26,629	28,374
C.	26,629	28,374
D.	995	670
E.	27,624	29,044
F. 1.	152	256
2.	0	0
G.	27,776	29,300

Elizabeth Wallace, Managing Editor

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RESTAURANTS USA

VOL. 9 NO. 10 **NOVEMBER 1989**

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PRESIDENT'S REPORT

Harris H. "Bud" Rusitzky, President
Serv-Rite Food Service and Consulting Corporation
Pittsford, New York

Repeal of Section 89 delayed

In an effort to speed through a budget reconciliation bill, Congress may eliminate all measures attached to the bill that would lower revenues. Those measures include:

☐ the repeal of Section 89, the controversial and complicated bill requiring businesses to conduct costly tests on employee-benefit plans to prove there is no discrimination,

☐ an extension of the Targeted Jobs Tax Credit (TJTC),

☐ a reduction in the annual federal tax on alcohol sellers and

☐ a tax deduction for the health-insurance costs of the self-employed.

Because there is so much support for these provisions, it is likely that both the House and Senate will find a way to vote on them after the budget reconciliation bill passes.

That is why we must continue to let our representatives and senators know that we support the Section 89 repeal, the Targeted Jobs Tax Credit extension, the alcohol-tax reduction and the tax deduction for health-insurance costs for self-employed individuals.

Minimum wage still being argued

As this issue of ***Restaurants USA*** goes to press, the House is again planning a vote on a bill that would raise the minimum wage to $3.80—to begin January 1, 1990—and to $4.25—to take effect January 1, 1991—with a two-month training wage for first-time workers. President Bush would almost certainly veto a bill in this form. In the meantime, the Senate is trying to work out a compromise that it thinks the President will find more acceptable. No one can predict the final outcome. But the National Restaurant Association continues to oppose any increase in the minimum wage.

Congress continues to discuss ADA

Another bill still pending is the *Americans with Disabilities Act* (ADA), which would prohibit discrimination against disabled persons, both as employees or potential employees and as customers. The foodservice industry values its many disabled employees and welcomes disabled persons as customers. Yet there are some undesirable aspects in this bill. We are concerned with:

☐ ambiguous language that will make it uncertain whether we are complying with the bill,

☐ the right of disabled persons who feel they have been discriminated against to seek remuneration in court that could lead to costly lawsuits and

☐ the lack of any funds, credits or rebates to help restaurateurs recover the cost of the adjustments the bill requires them to make.

Your association supports ADA, but we are urging Congress to make changes in the language and to expand the existing tax credit for businesses that make needed adjustments.

New publication answers most-often-asked questions

In response to many requests for basic statistics having to do with the foodservice industry, your association's research department has come out with a publication, *Eating and Drinking Place Figures*. This booklet contains all the basic numbers compiled from the 1987 Census of Retail Trade having to do with foodservice—number of restaurants and types, sales figures, employment figures—all broken down by states and by major metro areas.

For a preview of the material contained in the publication plus information on how to order it, turn to the "Foodservice Trends" section in this issue of ***Restaurants USA.***

Speakers slated for solid-waste symposium, Jan. 9

Your association has booked some outstanding speakers for the solid-waste symposium to be held in Washington DC, January 9. Representatives from both private businesses and government agencies will speak on recycling, disposable packaging, new lightweight packaging, recycling laws and some innovative solid-waste solutions. One featured speaker will be Louis Crampton of the Environmental Protection Agency (EPA), who will present a national overview of the solid-waste problem.

In addition to the speakers, there will be a panel discussion at the end of the day, with four panelists from our industry talking about good and bad experiences they have had managing solid waste. Then it will be the attendees' turn to share their experiences.

I consider the solid-waste issue to be one of the most important problems facing our industry, and I urge you to take this opportunity to educate yourself on this issue. You can phone in your registration by calling the National Restaurant Association's Technical Services Department at 1-800-424-5156 or (202) 331-5900.

Monterey Wine Festival to be held March 18-20

The dates have been set for the 1990 Monterey Wine Festival. It will be held March 18-20 at the Monterey Conference Center in Monterey, California.

Approximately 250 California wineries will pour 900 wines at this year's festival. Elegant wine tastings, informative seminars, the fifth annual Monterey Wine Festival Auction and a first-ever Festival Golf Tournament will be part of the festival "experience." There will be more information in the months ahead on what has become one of the most-celebrated wine events in California.

Educational foundation can help with labor-shortage problem

Industry forecasts are predicting no letup in the labor crunch as we enter the '90s. But not everyone is scrambling to find help. Many restaurateurs are dealing with the labor shortage by using education and training programs to attract new employees and keep old ones. By using the seminars, courses and training materials of your association's educational foundation, you can create your own cost-effective training and retention programs.

Welcome new members

We're happy to welcome the 80 new members who joined our association last month. We hope you will take advantage of all the benefits, programs and assistance offered by the National Restaurant Association. We also hope that you will join with other members in working to further the interests of our industry. You will find that your participation will strengthen your own business as well as the industry as a whole.

Sincerely,

Bud Rusitzky

Harris H. "Bud" Rusitzky
President and Chairman of the Board

RESTAURANTS USA

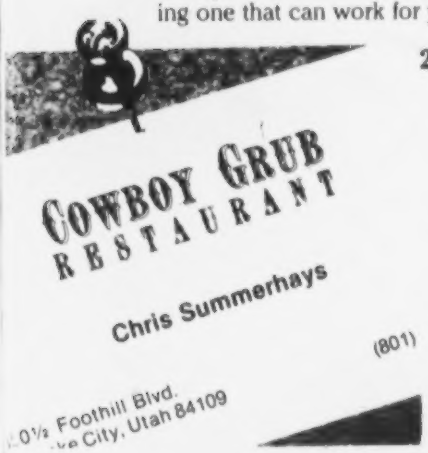
COVER STORY: RESTAURANT CULTURES CAN KEEP COMPANIES HEALTHY

12 It reflects a company's spirit, its attitude, its management philosophy and core values. It is elusive and difficult to define, yet companies that have it are deemed winners and those that don't are finding it difficult to compete. What is this mysterious yet integral ingredient of success? A positive restaurant culture. Find out how it works from restaurant executives who swear it keeps their operations healthy.

SPECIALS

17 Viewpoint—paradigm for success in the '90s
Herman Cain, president and CEO of Godfather's Pizza, has led his company to the top of its segment. In this viewpoint, he discusses how restaurants should be gearing up for the next decade.

23 Slogans—finding a phrase customers can't get out of their minds
A catchy and easily remembered slogan quickly identifies your restaurant. Here are some pointers for finding one that can work for you.


COWBOY GRUB
RESTAURANT
Chris Summerhays
(801)
0½ Foothill Blvd.
e City, Utah 84109

24 Business cards are good business
That little 3½-by-2-inch card you keep buried in your wallet is a natural—but often overlooked—marketing tool for your restaurant. Here's why you should get your business cards out of your pockets and into the hands of prospective customers.

19 Bottom-up marketing
Companies that want to stay competitive can no longer rely on a system where all the decisions are made at the top. Listening to employees who are on the frontline—and know what customers need and want—is the first step towards developing a bottom-up strategy that will keep your company vital and responsive to the marketplace.

26 Coming to a truce—bridging the gap between the front and the back of the house
Most restaurants have stories of misunderstandings and arguments between cooks and servers, but in too many restaurants this tension is accepted as "just the way it is." This article examines restaurant programs that have increased communications and teamwork, resulting in happier, friendlier working environments.

30 31 ways to reduce burnout
It's not news. The long hours and physical and emotional demands of the business have burned out some of the finest, most talented and motivated restaurant people. Here are 31 ways you can fight the threat of employee burnout.

Cover photo by Gary Landsman
Torch supplied by Paul Stone; Arlington, Virginia

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- ☐ New soyoil symbol

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- ☐ Thief finds "just desserts"

SHORTORDERS

They need your help

Students hammered by Hugo

Woody, 22, lost his job when the severely damaged Wild Dunes resort was closed. He gave his apartment to friends who had lost their home and belongings. Then he dropped out of school and moved back to his family's home in equally devastated McClellanville, South Carolina, to do construction work.

Woody is or was a student in the hospitality management program at Trident Technical College in Charleston, South Carolina. He is just one of the many hurricane victims who are suffering much more than property damage. They are precariously close to losing something even more precious in the long run: their education.

Although many students in Trident's hospitality program are self-supporting—working part or full-time in area restaurants or hotels while attending classes—many restaurants remain closed, hundreds of workers have been laid off, and the employment prospects for the next year appear grim. Without that weekly paycheck, many Trident students simply cannot afford to attend college.

"We had 110 students enrolled in our Hotel-Motel Restaurant Management and Culinary Arts Technology associate degree programs for fall quarter. Since the hurricane, we've lost 25 percent of the students in one class," says Deborah Breiter, Trident's hospitality management department head.

The college is taking steps to keep students enrolled. Funds for student emergency loans have been increased through two emergency loan funds in the Trident Technical College Foundation, and the college is coordinating a variety of services, including counseling, a book-loan program, a temporary day camp for students with young children, and the distribution of emergency supplies such as propane stoves for students in areas still without electricity a month after the hurricane.

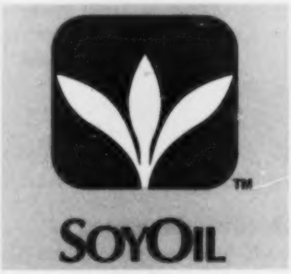
"We anticipate that student needs will continue to be high for at least the next year from the ripple effects of Hugo," says Trident president Charles W. Branch.

But the needs are far greater than the resources. The biggest need, Breiter says, is money. "The hospitality industry has recognized the importance of education for its members, and the need for highly trained staff and management. Here's an opportunity for the industry to help that happen," she says.

According to Breiter, $300 will pay for the full-time tuition and books for a hospitality management student for one quarter. Donations may be made to the Trident Technical College Foundation, either to the general student emergency fund or earmarked for hospitality management students, at PO Box 10816, Charleston, SC 29411. For more information, call Trident's hospitality management department at (803) 722-5541 or the foundation at (803) 572-6209.

New soyoil symbol

***A marketing boost.* The American Soybean Association has developed the soyoil symbol for foods that contain or are cooked in oils that are at least 80 percent soy. Soy oil—low in saturated fat and consisting primarily of polyunsaturated fat—is a good choice for heart-healthy cooking. Table tents and door decals are available for foodservice operators using soy oil. Call 1-800-TALK-SOY for more information about the soyoil symbol.**



Ed Debevic's hosts "spokespawson"

GREEN RIVER
SHAKES
BLACK CO

***That coolest of cats.* The Pink Panther "pawed" in as the official "spokespanther" for the Starlight Foundation at a press conference hosted by Ed Debevic's Short Orders Deluxe this fall in Beverly Hills. Witnessing the momentous occasion were Marc Cohen (left), vice president of fundraising for the Starlight Foundation, and Ed's own gals, Madilyn Snerr (second from right) and Toots. Ed Debevic's will host a star-studded party to benefit Starlight on November 9 as the highlight of "Paint the Town Pink," a weeklong series of events commemorating the 25th anniversary of the Pink Panther.**

Welcome to London, San Diego-style

For Anglophiles. **The Piccadilly Line restaurant in San Diego was designed in the image of London's famous gathering place, Piccadilly Circus. At the Piccadilly Line, diners will see some of the same lines, lights and colors they would see on a trip to Piccadilly Circus. Pictured in the foreground is Eros, the Greek god of love. You'll also see him at The Piccadilly Line clutching a hot-pink neon bow.**

Apply now for grants and fellowships

Applications for 1990 teacher work-study grants and fellowships are now available from The Educational Foundation of the National Restaurant Association.

☐ **Seven fellowships** for foodservice/hospitality educators pursuing advanced degrees are sponsored by the H.J. Heinz Foundation and administered by The Educational Foundation. The fellowships, ranging from $1,000 to $2,000, are awarded to foodservice educators and administrators to further their studies toward a master's degree.

☐ Twenty-five $2,000 **teacher work-study grants** provide hands-on participation in the foodservice industry for teachers and administrators. A grant from the National Restaurant Association funds the program.

Each $2,000 grant supplements income earned during work-study employment. Teachers must work in a foodservice establishment for 320 hours of full-time employment, working a minimum of 35 to 40 hours per week during an 8 to 10-week period. The experience increases both their technical skills and awareness of current industry trends and operational techniques.

The grants and fellowships are awarded on a competitive basis. Completed applications must be postmarked by December 31, 1989.

For more information or applications, contact: Scholarship Department, The Educational Foundation, 250 S. Wacker Dr., Suite 1400, Chicago, IL 60606, 1-800-522-7578 or (312) 715-1010.

Environment issue "invaluable"

Dear Editor:

Congratulations on your good and complete article, "America's Trash Crisis," in the August issue. I think you did a good job of reporting on the subject and pointing out to the industry that there are things we can—and must—do.

—Paul J. Mitchell,
vice president, public relations,
Carl Karcher Enterprises,
Anaheim, CA

As you know, Governor DiPrete has long held a commitment to environment. Your recent magazine is invaluable in helping us continue our work in this area.

—Anna F. Prager,
senior policy analyst,
State of Rhode Island and Providence Plantations,
Providence, RI

Employers ...please listen

One sad part of this business is that employee input doesn't matter. Granted, employers will listen to most employee suggestions or ideas; but the odds are that they'll never use them. Usually you get a smile or a pat on the back, and you're sent on your way. I've had it happen to me and have seen it done to others. As an example, you come up with a new item for the menu—whether a dessert, sandwich, entree or appetizer—you tell your boss about your idea; and he might say he likes it but always seems to have an excuse why it won't fit in with the current menu.

Not only have I seen this happen with food ideas, but I've also seen an employee, such as a dishwasher, busperson or waitress, come up with an idea to make working conditions safer or more productive only to have it disregarded, or even worse, someone "in authority" suggests it to his boss, has it put into use and gets total credit for it.

This type of thing gets old after a while. Restaurant owners always seem to wonder why they have such a turnover of employees. Maybe if as much attention were paid to employees as is given to food and labor costs, a change for the better would occur after a while.

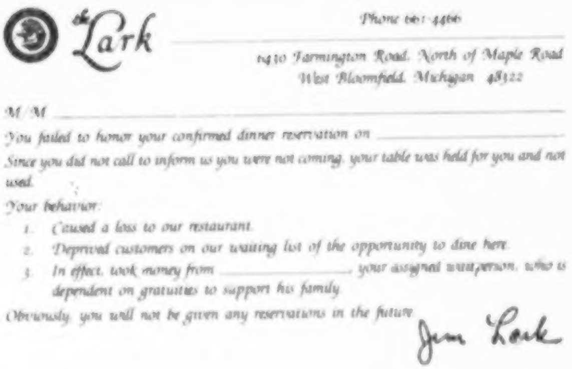
—Kevin Scot Vander Laan,
Spring Lake, MI

Not that finicky...

As a reader as well as a subject, I very much enjoyed Gary Stern's "Thumbs Up: Restaurant Critics Take the Floor" (May 1989). However, I must correct one misprint. It's not that I object to being known as a finicky restaurant critic, but even I don't really expect a restaurant to serve "homemade caviar" as was quoted in the article. I think the article should have read "imported." As enticing as homemade caviar might sound, I've never found even the most ambitious of home cooks who could manage to get a sturgeon to spawn in his bathtub.

—Phyllis C. Richman, food critic, *The Washington Post*,
Washington DC

Being gutsy with no-shows



the Lark

Phone 661-4466

6430 Farmington Road, North of Maple Road
West Bloomfield, Michigan 48322

M/M ______________________________

You failed to honor your confirmed dinner reservation on ____________

Since you did not call to inform us you were not coming, your table was held for you and not used.

Your behavior:

1. Caused a loss to our restaurant.
2. Deprived customers on our waiting list of the opportunity to dine here.
3. In effect, took money from ______________, your assigned waitperson, who is dependent on gratuities to support his family.

Obviously, you will not be given any reservations in the future.

Jim Lark

Regarding no-shows, our procedures have reduced no-shows to about 1 percent.

1. All patrons making reservations must provide both a home and office phone number. If either is refused, the reservation is not accepted.

2. All reservations, even from good patrons, are reconfirmed by phone.

3. Strangers making reservations larger than a party of four are required to give a "credit-card guarantee." No credit-card company will allow us to enforce the "guarantee," but the procedure does shake out many weak reservations.

4. We send a card to no-shows (see sample). I wish other restaurants had the guts to do so.

Since ours is a very expensive restaurant with no walk-ins, there is no question of how long we hold a table. A no-show is a dead loss.

We wish the National Restaurant Association would mount a campaign to make a binding credit-card guarantee available.

—Jim Lark, The Lark,
West Bloomfield, MI

Another view of sensible scheduling

In regard to the viewpoint article "We Need Sensible Scheduling" in ***Restaurants USA,*** September 1989, I agree that one of the ingredients for retaining employees is sensible scheduling. However, I feel Lewis C. Forrest has taken a wrong turn on what to do about it. Giving everyone 8-hour shifts is not the answer.

Forrest stated that he "couldn't understand why some restaurant employees have to arrive at work at a different time every day," and "also fails to understand why so many positions in our business have to be part time." May I offer some reasons?

1. We do not schedule to prevent overtime, we schedule for demand. A) Breakfast—approximately 7 to 10 a.m.—3 hours. B) Lunch—approximately 11 a.m. to 2 p.m.—3 hours. C) Dinner—approximately 5 to 8 p.m.—3 hours.

2. Labor hours typically are given for or in relation to sales. In other words, you have more people during busy hours, fewer during the slack.

3. Many restaurant employees are students and depending on whether they are in college or high school, their schedules vary, and the manager juggles to give them hours and cover the restaurant's needs.

Employees "beg for hours" only if you promise what you can't deliver. On the other hand, employees who are sincere usually get the hours. Many times my employees ask for all the hours I can give them, but they can't work lunch, Fridays and every other day for schoolwork! You call them in to take the place of a sick employee, and they're busy!

You also noted that it's not worth going to work for $8.75. I agree! The problem here is not scheduling, but a full-time employee taking a part-time job. Here in California the minimum wage is $4.25/hour, and it hasn't helped a bit in regard to quality or quantity of people hired or retained.

I agree that if I could work all my employees in 8-hour shifts, my life would be easier, but reality and the business demands won't allow [me to].

Toward the achievement of sensible scheduling, I practice or do the following. I believe they help, of course, but there are no complete answers.

☐ 1. When hiring, record on the application such information as whether the applicant is interested in working part time or full time, is a student or has other time-consuming activities. Also note the upper and lower limits to how many hours he or she can work.

☐ 2. Tell up front what the shifts and hours will be. Ask whether they fit the employee's needs.

☐ 3. Hire for what you need! Don't hire four part timers to cover a full-time shift, or vice versa.

☐ 4. Live the attitude that all days-off requests will be honored if adequate notice is given (helps with absenteeism). Some social activities, in some cases, are more important than work!

☐ 5. Have enough employees on "bench" to cover "days-off" needs. (Bench employees are employees who would like more hours or will work more hours, if needed.)

☐ 6. Record days-off needs on a large squared calendar. Ask for one or two weeks' notice.

☐ 7. Develop a weekly fixed-schedule chart for all employees. This shows Sunday to Saturday when employees can work and how many hours they need per week. This is a useful scheduling tool.

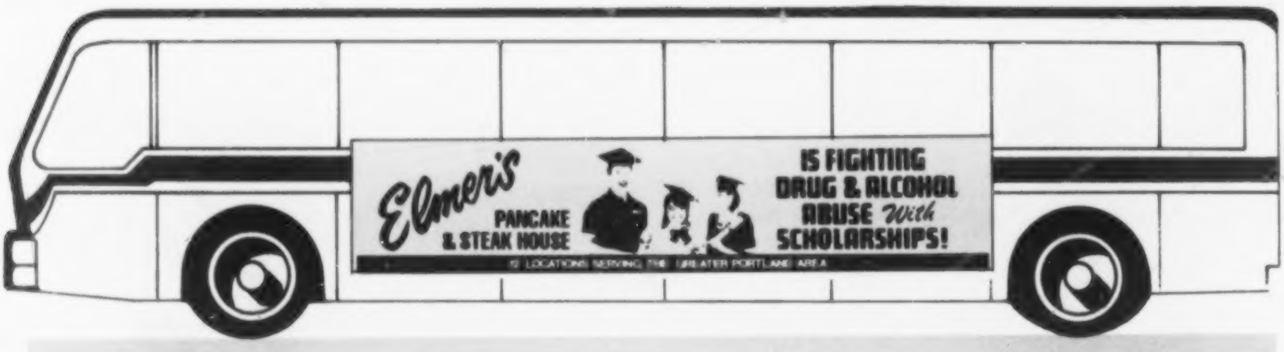
☐ 8. Reward employees who get or take short shifts with longer, more desirable shifts.

☐ 9. Try to keep employees' schedules close to the same every week. That way they know they work every Friday from 5 to 9 p.m., etc. (Helps with absenteeism).

☐ 10. Cross-train employees. The more jobs they can do, the easier it is to schedule them!

☐ 11. Last, but most important, communicate! Talk to and listen to your employees' needs. Be up front with how you can help them, and never say, "I'll see what I can do!" Either you can or you can't.

—Dennis Cook, manager,
Foster Farms Restaurant,
Modesto, CA



Portland, Oregon

One bright point of light

Early in 1989, Herman Goldberg, president of Elmer's Pancake and Steak House, Inc., decided that the 28-unit company, based in Portland, Oregon, would place an increased emphasis on public service. Its first major community project, a drug and alcohol prevention scholarship program for public high schools, drew so much attention that even the White House noticed.

"Since our teens are the future of America, we feel it is imperative for corporate America to take a more active role in public awareness of the alcohol and drug problem that's plaguing our youth. That is why Elmer's is initiating this scholarship program, in hope that it will make a difference in combating this serious problem," says Goldberg.

The scholarship program revolves around a videotape called, "The Victims," which graphically details the immediate and lingering effects of accidents caused by drivers under the influence of drugs and alcohol. The restaurant chain donated more than 250 copies of the videotape to schools for student education, and then set up a program through which graduating seniors can qualify for company-sponsored scholarships.

To qualify, high school seniors must write an essay about their thoughts and feelings about the video or a relevant DUI (driving under the influence) issue. In December four $2,000 scholarships will be awarded from a random drawing, and other smaller scholarships will be awarded for "best content" and to the best overall anti-drug program.

Elmer's
IS FIGHTING
DRUG &
ALCOHOL
ABUSE With
SCHOLARSHIPS

According to director of advertising Zed Merrill, the response to the scholarship program has far exceeded expectations. Although the program was initiated only in the four counties that make up the greater Portland area, requests for videotapes have come from more than 250 miles away. Other requests for videotapes and scholarship information have come from churches, private companies and even Portland's professional basketball team—the Trailblazers.

Elmer's has promoted the program through ads on buses and through brochures, banners and buttons, worn by servers and busboys, that read, "We're fighting drug and alcohol abuse with scholarships." In addition to getting laudatory calls and letters every day from students, parents, school counselors and customers, says Merrill, almost every local radio and television station has run public service messages and interviews about the program.

Recently, Merrill and Goldberg were invited to the White House to explain their anti-drug approach, and also to meet with officials in "Drug Czar" William Bennett's office. (Bennett is the director of the office of national drug control policy.) "In both offices, we were told that ours was an exemplary private effort—exactly what President Bush is looking for in terms of grassroots programs without federal support," says Merrill.

Although the scholarship program was intended to be a one-shot local effort, its snowballing success has excited franchisees in Washington state, California, Idaho, Montana and Alaska. In addition to possibly extending the program to some of those areas, Elmer's also is planning to include junior and intermediate high school students.

One of the results that has been most gratifying, however, is that the program seems to have inspired other members of the business community. "We've been somewhat amazed," says Merrill "that although other businesses donate money, not many have a plan of action. We hope our program will create an incentive for other members of the business community to join us in this worthwhile effort."

Chicago, Illinois

Hot dog and roe to go

Chicago residents have asserted aggressively that their distinctive style of hot dog, complete with a beguiling variety of fresh, colorful toppings, is the king of wieners. Whether or not one agrees with the biased residents of the Windy City, it's impossible to deny that Bob Stiglich, owner of Chicago's "Let's Dog It," is putting out a dog fit for royalty.

The Chicago red hot comes not only with the traditional mustard, chopped tomatoes, relish, onions, pickle spear, tiny "sport" peppers and a dash of celery salt, but also with what he justifiably calls "the gourmet touch"—caviar. Stiglich's offers three varieties—fresh salmon golden eggs at $7.00 an ounce, fresh American sturgeon at $12.00 an ounce and, for those who really want to impress their date, Caspian beluga at $20 an ounce.

"The usual scenario,"

says Stiglich with a laugh, "is that a couple will get two franks with everything and then split an ounce of caviar, which we lace from one end to the other on the two dogs. Let me tell you, those who are wild enough to try it, love it."

Of course, in true Chicago form, Stiglich is quick to point out that his dogs have several other features that set them apart from the usual "garden on a bun" being served up at the city's estimated 2,000 hot dog stands. His sausage of choice, made by Usinger, uses all natural casings and fillers with no MSG, and his relish is not, as he says, "that fluorescent green stuff everyone else uses," but a specially made red-pepper gourmet relish imported from Boston. In addition, the Lincoln Park shop's decor, with white ceramic tile, a glass-block counter with white Corian countertop, ruby-red neon and mirrored wall with the shop's logo, set "Let's Dog It" apart from the standard simple hot dog stand.

Stiglich admits, however, that the true key to his gourmet dog concept is the caviar. "I never anticipated caviar sales to be as much as they are," he marvels. "I've already reordered eight times."

Longboat Key, Florida

A touch of the Welsh

In addition to being owner of Schenkel's Restaurant in Longboat Key, Florida, Edith Barr Dunn is an award-winning community leader and has written an autobiography. Yes, she wears several hats—and anyone who doubts that need only take a look at Dunn's collection of more than 300 size-seven Stetsons and bowlers. But the accomplishment Dunn is most proud of these days is the publication of her 335-page cookbook, "Cooking Made Easy with a Touch of the Welsh."

Dunn's labor of love is as unique as her native cuisine. The authentic South Wales recipes in her book include *ffagots* (pig's liver and onion casserole), *bara mwyar* (blackberry and bread pudding) and *pastai cennin* (leek pie), as well as the somewhat familar Welsh rarebit, which contains no rabbit, and *pastai gwningen* (rabbit pie), which does.

"Cooking Made Easy" also includes many nonWelsh dishes that have become favorites at Schenkel's since the restaurant opened in 1942. These signature recipes range from *Mussels Pontypridd,* cooked with leeks in a cream sauce, to the restaurant's celebrated pot pie.

Dunn's book is out of the ordinary also because it includes narratives of her experiences as a restaurateur and captioned photos of Schenkel's long-time employees. One of the most enjoyable added bonuses is a section on "Welsh Ladies' Household Hints," where the reader learns how to cure a headache without pills (by boiling equal quantities of vinegar and water in a small stew pan, and inhaling), how to darken hair with green tea and sage leaves, and how to prolong the life of cut flowers by putting the stems into slits cut into a potato.

—David Slater

WASHINGTON REPORT

Section 89 repeal jeopardized by budget process

Snafus in the federal budget process last month spelled trouble for Section 89 repeal, Targeted Jobs Tax Credit (TJTC) extension and several other tax changes supported by the National Restaurant Association.

After an overwhelming 390–36 House vote to topple the employee-benefits nondiscrimination law and a unanimous vote for repeal in the Senate Finance Committee, the full Senate decided to strip all revenue-losing provisions from its fiscal 1990 budget bill.

In addition to Section 89 repeal, the Senate removed from its bill proposals to extend the TJTC through 1991, continue the 25 percent tax deduction for health insurance costs in unincorporated businesses and scale back a $250 annual federal occupational tax for alcohol sellers.

Although most of these provisions remained in the House version of the bud-

DC ROUNDUP

☐ **Association backs changes in legal immigration system.** The National Restaurant Association has filed comments with a House Judiciary subcommittee, asking Congress to consider the needs of U.S. employers when deciding how to allocate permanent and temporary visas to foreigners.

Detailing current and projected labor shortages in the foodservice industry, the association said Congress should lighten educational and skills requirements for immigrants so that less-skilled workers could enter the United States to fill jobs.

The association also asked Congress to establish programs under which U.S. employers could petition for foreign workers to enter the United States temporarily to fill positions going unfilled because of shortages of U.S. workers.

☐ **Alcohol labeling takes effect this month.** All beer, wine and liquor bottled after November 19, 1989, must bear a new government warning that cautions pregnant women, drivers and others of the hazards of drinking alcohol.

However, congressional sponsors of the new law are unhappy with the labels they've seen so far. They say the warning is not prominent enough and the lettering is often so condensed as to be illegible. They have asked the federal Bureau of Alcohol, Tobacco and Firearms to spell out stricter requirements for the size and placement of the warnings.

☐ **Whistleblower bill introduced in House.** Hoping for better results in the House than in the Senate, organized labor is backing a bill by Rep. William Ford (D-MI) to give broad legal protection to employees who blow the whistle on their employers for alleged health and safety wrongdoings.

A similar measure has been languishing in the Senate since February. Employers, worried that the bill could protect even malicious employees who publicly level unfounded acget bill, House negotiators appeared willing to drop the revenue-losing proposals in order to speed up the budget process.

As this ***Restaurants USA*** went to press, a joint House-Senate conference committee charged with coming up with a final budget bill had not yet decided what to do with the extraneous provisions.

The National Restaurant Association will lobby Congress to schedule separate action this year on Section 89 repeal, TJTC extension and other measures—if legislators indeed drop these provisions from the bill.

cusations against employers, have strongly protested the legislation.

Ford's bill, H.R. 3368, was referred to the House Education and Labor Committee.

□ **Subcommittee chief pushes IRCA reform bill.** Rep. Bruce Morrison (D-CT), chairman of the House Judiciary Committee's subpanel on immigration, wants Congress to amend the 1986 Immigration Reform and Control Act (IRCA) to give some relief to employers.

Provisions in a bill by Morrison, H.R. 3374, would require the Immigration and Naturalization Service to assess administrative sanctions—civil fines, for example—against employers before pressing criminal charges in cases where INS alleges a "pattern or practice" of noncompliance with IRCA.

H.R. 3374 would also create a standard work-authorization document employers could easily recognize as valid proof of an applicant's eligibility to work in the United States.

—Denise Roach

Fall board meeting report

At a recent board meeting, R. Boyd Morris was recognized by his colleagues for 41 years of service as a National Restaurant Association honorary director. Morris (left) is presented a commemorative plaque by Jim Peterson, immediate past president of the association.

The National Restaurant Association's Board of Directors met last month in Washington DC in conjunction with the association's Public Affairs Conference. At the meeting, the board reiterated its position on such key government issues as the minimum wage, Section 89 and FICA repeal. In addition, the following resolutions and issues were discussed at committee meetings:

□ The **state relations** committee called for an increase in targeted district meetings with members of Congress, full Key Contact coverage for congressional committees of importance to foodservice interests and increased association staff travel to state restaurant association meetings.

□ The **political action** committee is working toward a goal of $1 million to be raised by December 1990—the conclusion of the next election cycle. A comparison of contributions at the same point in the last cycle shows that regional contributions have more than tripled and overall contributions have almost doubled, which suggests that more operators recognize the importance of being involved.

□ The **communications** committee directed staff to produce a new four-page brochure describing services the association offers to its members. Communications staff will also produce a leaflet on nutrition in restaurants, for distribution by members to their customers. The leaflet will tell customers about the nutritional options available in restaurants and how to request them.

□ The **convention** committee learned that a record 106,000 attendees and 1,720 exhibitors participated in this year's Show. Post-Show questionnaires revealed that exhibitors rated the Show a 3.2 on a scale of four and that 86 percent would definitely return.

□ A dual-membership proposal with the New Jersey Restaurant Association was approved by the **membership** committee. The National Restaurant Association now has dual membership with 18 states.

□ The **research** committee reviewed final questions for a membership survey on benefits for hourly workers. Survey results will be available in January.

□ The **technical services** committee directed staff to work with regulators to prevent new safety problems from arising when the Americans with Disabilities Act passes, as is likely. Plans to upgrade the sanitation training program provided by the National Restaurant Association Educational Foundation were also discussed, and the committee approved a resolution urging manufacturers to use universal product codes.

□ The **alcohol awareness** task force passed a resolution calling for every state to issue tamper-proof licenses or distinguish underage individuals by issuing a license with a profile photograph to those less than age 21 and a license with a full-face photograph to those 21 and older. Mothers Against Drunk Driving (MADD) has also agreed to press legislators for a symbol on licenses that identifies the bearer as being less than 21 years old, and MADD has endorsed an association resolution calling on states to impose reasonable penalties for minors who use false IDs. ❑

RESTAURANT CULTURES

POSITIVE CULTURES CAN KEEP COMPANIES HEALTHY

S. Truett Cathy, chairman of Chick-fil-A, treats his employees as valued members of a family.

"Culture" has become a buzzword in the world of business, but its contribution to the success or failure of an operation is so important that every owner or manager, whether he or she is part of a large corporation or a small mom-and-pop restaurant, should learn what culture is and how to use it. Norman Brinker, CEO of Chili's Inc., Dallas, separates companies into winners and also-rans, and "winners have a culture," he says. Last year Chili's gave out in bonuses, stock options and profit shares as many dollars as the company earned five years ago. The turnover rate for general managers for Chili's is now only 15 percent.

by Julie Fintel

Corporate culture or organizational culture may be a "today" phrase, but the idea has been around for a while. Some even attribute its beginnings to Pericles, who lived 2,000 years ago and is considered to be the father of Athens' Golden Age. Pericles told Athens' leaders to focus on the differences that made their city special and then to communicate those differences to the citizens. The idea was to make them feel they were part of a winning team. Culture still has much the same meaning. It can be defined as an organization's core values, personality and fundamental management philosophy. According to Karen H. Tidball in *The Cornell H.R.A. Quarterly,* "Culture can be defined as a set of assumptions or an ideology shared by members of an organization. These assumptions are used by people to identify what is important and how things work in that company. When these assumptions become formalized, rules for behavior are established, so that people know how to act."

At Pizza Hut the company values its culture so much that it has allocated one page of its "Pizza Hut Story" brochure to describe it: "Our culture reflects our values—the essence of what we believe in as a people and as a system. It includes a shared vision of who we are and where we're headed. And it encompasses everything—from the way we treat our customers to how we deal with our competitors," it says.

Elements of a winning culture

In fact, every company has a culture, even if it is not explicitly identified. Some may even have a negative culture that prevents the company from thriving or adapting to business and social changes.

The most effective companies have a clearly articulated positive culture—one that values its workers and treats them as part of a team or family.

"It turns out that neither superior customer service not constant innovation—the two sustaining edges of excellence—is built upon genius in the executive suite, sleight-of-hand techniques or mystical strategic moves on a gameboard that allow one to gain a five or 10-year advantage over one's competitors. Both are built, instead, on a bedrock of listening, trust and respect for the dignity and creative potential of each person in the organization," say Tom Peters and Nancy Austin in *A Passion for Excellence.*

At Domino's, chairman of the board and founder Tom Monaghan puts his philosophy into the words of the Golden Rule: Do unto others as you would have them do unto you. He tells his employees and franchisees that all they have to do to be successful is to have a good product,

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Julie Fintel is a communications specialist at the National Restaurant Association.

Recognition reinforces the culture of Max & Erma's Restaurants, Inc. Here CEO Todd Barnum presents Kathy Serif with a store-of-the-quarter award.

give good service and apply the Golden Rule. His goal, he says, is to have people say Domino's employees are nice.

And Monaghan is nice to his employees. He believes the one way to make his workers loyal members of the team is to treat them better than they expect to be treated. He rewards them when they do well; he asks them to set goals for themselves, and he provides a long list of incentives to spur them on to meeting those goals.

At Domino's corporate headquarters in Ann Arbor, Michigan, there is one whole department dedicated just to handling employee awards. Managers, corporate area supervisors and franchise consultants can win Rolex watches, Schlesinger Brothers' briefcases, tickets to the owner's box for Detroit Tigers baseball games (Monaghan owns the Tigers) and all-expenses-paid vacations to Lakeland, Florida, where the Tigers train, or to the Domino's Lodge on Drummond Island on Michigan's Upper Peninsula. Store managers can win a Hermes tie or a trip to the Domino's Lodge. A store's Safe Driver of the Month is given a badge to wear and his name is engraved on a plaque for display in the store. Perhaps the biggest incentive of all for Domino's workers is the policy of giving franchises only to store managers who have had the job for a year. While the franchisee must pay for equipment and start-up costs, everything else is free.

Norman Brinker, of Chili's, said he started looking at the idea of culture 20 years ago. He developed his ideas by looking at the restaurant business the way he looks at sports (he rode with the U.S. equestrian Olympic team in 1952 in Helsinki). "At Chili's we do things like a team," Brinker says, "and a team needs cohesiveness, integrity and enthusiasm."

The positive cultures of successful companies have certain things in common, even if the words they use to describe those elements differ. Integrity is always at the top of the list. Other common qualities include a bottom-up style of management, having fun, efficient ways of communicating within the organization and a sense of mission (see sidebar).

Common qualities of successful cultures

□ *Integrity—at the top of the list.* At the top of almost everybody's list of culture premises is integrity. "That goes beyond not lying or stealing," says Brinker. "When you tell somebody you will do something, it's absolutely imperative that it will happen." Herman Cain, CEO of Godfather's Pizza, says the key culture ingredient is trust—trust between people in the organization and the CEO and his team and that the CEO will live up to his own ideals as well as to the ideals of the company.

□ *A bottom-up style of management.* Many companies give their employees a feeling of being on the team by implementing a bottom-up type of management style. CEOs and other company executives spend a great deal of time visiting their stores, where they talk with all the employees to get their ideas. Max & Erma's Restaurants Inc., with 12 units in the Midwest, refers to all its employees as associates. "Before we make a menu change, before we make a price change, we talk to the associates, because they will know what our customers think," says Max & Erma's president and CEO Todd Barnum. "At Godfather's Pizza we incorporate the ideas of lower-level employees," says Cain. "That's why I'm on the road 60 percent of the time. For example, the managers complained about too much paperwork, so we installed an in-store computer system."

□ *Having fun.* Having fun is another key part of many cultures. Monaghan makes the pizza business into a game, challenging his store owners and managers to meet certain goals. He says he himself has fun thinking up different prizes for those that make the goals—from an expensive tie to the grand prize of $5,000 in his annual pizza-making contest.

Chili's holds an annual putt-putt contest at its headquarters in Dallas, with each of the 18 holes set up in a different office. The offices bring in sand and other props and play appropriate music.

Weathervane Seafoods, based in Kittery, Maine, has an activities director in each of its 14 Northeastern restaurants. The director plans picnics, trips to ball games or even a gong show for workers, with the tab picked up by the company.

□ *Connecting to the community.* Community involvement is also a part of many cultures. The Keys Group in Detroit owns Burger King stores in the inner city. Besides seeing the jobs he offers as a way for youngsters to escape the drug culture, owner Brady Keys and his firm publish a free monthly newsletter for the community. It is filled with real-life success stories and exhorts youth "to follow their dreams."

S. Truett Cathy, chairman of the Chick-fil-A chain, runs a children's camp in the summer and has established children's foster homes in the Atlanta area, near the company's headquarters. All the proceeds from his new book, *It's Easier to Succeed Than to Fail,* have been earmarked for the camp.

□ *Physical health and fitness.* The belief that a sound mind goes hand in hand with a sound body is another common culture tenet. Chick-fil-A has an exercise room and a racquetball court in the basement of its corporate headquarters, and an aerobics instructor holds a lunchtime class for employees. Many foodservice stores field their own sports teams, or their employees jog together. The Keys Group's store employees play against each other in basketball and softball leagues, promoting camaraderie as well as physical fitness. And Chili's has outlawed all smoking in its headquarters.

The CEO sets the style

The corporation CEO—or if it's a single restaurant, the owner—is the one most responsible not only for forming the culture, but also for making sure that everyone lives it. That starts by living the philosophy at the top. "Organizational members notice the practices, attitudes, philosophies and personal example of senior managers, and they direct their behavior to fit in," wrote Warren Gross and Shula Schichman in "How to Grow an Organizational Culture" in the September 1987 issue of *Personnel* magazine.

Chi-Chi's executive vice president Mike Fiori credits CEO Hal Smith's sensitivity to people for making a big change in the three years he's headed Chi-Chi's. "He personally represents and lives our philosophy," says Fiori. Among ways Smith has demonstrated his commitment to a culture in which "each and every employee is important" is by making the five-day workweek a reality for management.

At Chicago-based Lettuce Entertain You Enterprises Inc., employees can draw on a therapy fund, established to help them grow personally as well as professionally. President and owner Richard Melman believes his own time in therapy helped him realize his potential and now offers that chance to his employees through the fund. He also fosters direct and straightforward communication among employees, resulting in a "wonderful, healthy environment with little strife or politicking," reports Loret Carbone, vice president of human resources and training. This makes for employee longevity. Carbone has been with Lettuce Entertain You Enterprises for nine years, and reports that there are many who have been with the company 10 to 15 years. (The company is only 18 years old.)

Communicating culture

Although a culture starts at the top, to mean anything it must be passed on to employees at all levels. "Implementing culture is not as easy as sending out memos saying, 'Tomorrow we will do such and such,' " says Robert Woods, professor of marketing at Appalachian State University in Boone, North Carolina. In his consulting role he tries to teach managers to be spokespersons, to talk about the company culture on a constant basis.

Brinker says a discussion of the corporate culture is part of every Chili's meeting, and he adds that teaching the history of a company to employees also serves to reinforce the culture. Some companies have

Mission—what are we about?

Before a company can successfully establish a culture, it must be clear what it is about—what its image and purpose are.

When Herman Cain became head of Godfather's Pizza in 1986, he quizzed his group of managers: "If I say Pizza Hut, what does that convey to you?" "Big," they answered. "Domino's?" "Delivery," was their comeback. "And Godfather's?" There was silence. "We had no company identity," Cain says. Nowadays, if Cain asks the same question, they answer, "quality."

To arrive at this identity, the first step is to determine what the current culture is. One way to find out is to ask others. Bill Main, owner of the Shorebird Restaurant in Princeton-by-the-Sea, California, recommends (1) asking your suppliers to tell you candidly what they have heard about your restaurant or company on the street; (2) patronizing your competition and asking their employees what the employee community at large honestly thinks of you, and (3) conducting regular "in-house" customer surveys and asking your customers to tell you exactly what they do and don't like about your operation.

Then it's time to decide whether it's time to change your culture. Cultures take time to be developed, and it's harder to change a culture than start a new one.

Chick-fil-A, headquartered in Atlanta, is the fourth-largest chicken chain in the industry and one that experienced a 14.5 percent increase in sales in 1988. Chick-fil-A established its purpose at what chairman S. Truett Cathy describes as a mini-retreat. The retreat was held in 1982, during a time when declining sales coincided with heavy debt incurred from building a new corporate headquarters. The result of that meeting was Chick-fil-A's mission statement: "To glorify God by being a faithful steward of all that is entrusted to us and have a positive influence on all the people we come in contact with," a statement that reflects Cathy's strong religious beliefs. Cathy treats his employees as valued members of a family and teaches his crew to wait on customers as they would want to be waited on—with smiling faces, a helpful manner and a cheerful demeanor.

Cathy rewards good performance cheerfully, too. When an operator of one of Chick-fil-A's stores increases yearly sales by 40 percent, he or she is given a Lincoln Continental to use for a year. If the operator repeats the performance the next year, he gets to keep the car.

At crew level, employees who work at least 20 hours a week and are recommended by their operator are eligible for a $1,000 scholarship, no strings attached. Employees can also apply for a $10,000 scholarship toward four years at WinShape Centre, a part of Berry College in Rome, Georgia.

Families of employees are also important at Chick-fil-A. Spouses are invited to accompany their husbands or wives to corporate meetings, with all travel expenses paid by the company. And Cathy refuses to allow his stores to be open on Sunday. He considers Sunday "the Lord's Day," and he wants his employees to be with their families on that day.

signs posted in their operations containing their mission statement or their cultural principles. Others talk about it in company publications.

Put it in writing

Not all companies take the time to write down their culture statements, but a written statement makes it easier to transmit the ideas throughout the organization and provides continuity. Gerry Richard, Jr., president of Weathervane Seafoods, is in the process of developing a culture statement for his company because "We want to carry it on all we print, use it in meetings and use it as a message to new employees. We want to walk into any of our restaurants and ask employees what our culture is and have them be able to tell us. Our culture will be what is important to us, and it should be important to them."

Communicating usually goes hand in hand with implementing. If there are barriers that limit or cut off communication between employees at all levels or between employees and customers, then the culture won't be transmitted. Many executives make a point of keeping themselves accessible in order to foster a free flow of ideas. Many not only travel to the field often but, like Brady Keys of the Keys Group, they also make it known that their office door is always open. Company newsletters are other ways to keep the culture up front.

And Pizza Hut conducts surveys of professional employees every three years, asking such questions as, "Are we developing you toward your career goals?" and "What's important to you? What is important to the company, and do the two meet?" This concern is an aspect of Pizza Hut's culture called "ownership"—the feeling that comes from knowing an employee can affect the company's direction through expertise, innovative ideas and hard work.

Managing a culture

☐ *Culture as a hiring tool.* An important way to manage a corporate culture is to use it when hiring and rewarding employees. Most companies report that they prefer to hire someone who already fits into their culture because employees who do, tend to be happier and less likely to leave.

Cain tells about interviewing a young woman for a marketing position who seemed to have all the right credentials. Then he asked, "Tell me about any direct exposure to the restaurant business you've had and how you felt about it." She had once worked for a fast food operation and had no desire to do anything like that again; she didn't like the idea of getting her hands dirty. "I didn't hire her, because she wouldn't be comfortable going into the back rooms and kitchens of our restaurants. She wouldn't have been able to obtain the trust of our lower-level employees."

Often it is the company culture that attracts the potential employees in the first place. Beth Bonner, now an intern at Chick-fil-A, says she would like to return to Chick-fil-A after graduation from college because "it's like a big family, and its beliefs and morals are the same as mine." She should know; she's been working for Chick-fil-A since she was 15, and two scholarships from the company are helping pay for her education.

☐ *Rewards are important reinforcers.* Who the company heros are—who is rewarded and promoted—reinforces a culture because these employees provide tangible role models for other employees to follow. That is why the more visible they are in company newsletters, meetings, etc., the better. "When Pizza Hut established its customer-oriented culture, I promoted only those managers who were in step with this orientation. Paper pushers and number crunchers were bypassed. Although none of the 'misfits' were fired, many left. A culture tends to be self-regulating," reports Pizza Hut CEO Steve Reinemund.

The bottom line

Defining a people-oriented company culture and then acting on it may take a large investment of time—and money. But there's a good return on that investment; turnover will decrease and customers will be better served. And, according to Brinker, "It's the easiest way to lead, and it's fun." ❑

"Those were the good ol' days" has been expressed by many people over the years as a way of reflecting upon life and business during simpler times.

As we stand here on the threshold of a new decade, there is no doubt that many of us will soon utter that same expression, because business in the '90s will certainly be more complex than business in the '80s. Everything I have observed and experienced during the past four decades has shown that we are living in a world of *progressive complexity*—socially, politically and economically.

The only simple aspect about this progressive complexity is that it is simply uncontrollable. I do not mean to imply that this is bad or a problem. *Au contraire;* that's just the way it is.

The decade of the '80s will be the "good ol' days" of the '90s because today is the yesterday of tomorrow. So what have we learned about the '80s that, according to my humble "crystal ball," may help us in the *now* part of the next decade?

A paradigm of success

To share my perspective with you, allow me to identify five dimensions or attitudes that permeated American business in the 1980s. These dimensions were typically found in large, successful companies, which enjoyed big business advantages.

These dimensions can be called a set of rules, or as Joel Barker would call them in his book *Discovering the Future,* a "paradigm."

But in addition to the paradigm that is characteristic of many large companies, there is a paradigm of success for smaller companies that mostly experienced occasional successes rather than a history of successes, that were a market underdog rather than market dominator and that experienced management disruption rather than management longevity.

Herman Cain is President/CEO of Godfather's Pizza, Inc., headquartered in Omaha, Nebraska. He delivered this speech at the MUFSO Conference in New Orleans. The conference was sponsored by Nation's Restaurant News.

A PARADIGM FOR SUCCESS IN THE '90S

by Herman Cain

If you're thinking of changing or fine-tuning your corporate culture, here are some pointers you'll want to consider.

Success paradigm

1990s	1980s
Active involvement	Passive interest
Focus on strengths	Diversity
Bottom-up management	Top-down management
Striving for successive hits	Striving for home runs
Emphasis on quality	Emphasis on quantity

My point is this: The paradigm of success for the "underdog" small company in the decade of the '80s will be the paradigm of the top dog in the '90s. Not top dog in terms of size, but top dog in terms of sustained success in a progressively complex business environment.

Godfather's Pizza has had some successes in its relatively short 16-year existence. And it has had more than its share of problems and disruptions. Having successfully ridden the growth of the pizza segment from 1973 to 1983, Godfather's Pizza went into a tailspin from 1983 to 1986 that almost killed the company. When I became president of Godfather's Pizza on April Fool's Day, 1986, the company literally had one foot in the grave and one foot on a banana peel.

In the last 3½ years, my management team and I have turned the company around twice. The first time was from 1986 to 1987, following the acquisition of Godfather's Pizza by The Pillsbury Company; the second time was within the last year following our purchase of Godfather's Pizza from The Pillsbury Company. In both instances we succeeded with a strategy based on the paradigm I believe will be the dominant paradigm of successful companies in the '90s.

1. Become actively involved

The decade of the '90s will require successful restaurateurs to be more active and less passive about all factors that affect their businesses. External factors, such as the economy, government regulations and social issues, can no longer be left for the "other guy" to take care of. Two years ago I stood before a MUFSO audience and reinforced the message of the National Restaurant Association, the Coalition to Save Jobs and other leaders in our industry about the potential impact of then-pending minimum-wage legislation. I encouraged you to get active and let your opinions be heard. Many of you responded, which has helped to minimize the potentially devastating effect of an ill-conceived federal action. This kind of active involvement, no matter how small, is something we must continue with our legislators, or they will "have their way with us" on mandated benefits, mandatory parental leave, mandatory labeling, elimination of TJTC, elimination of the business-meal deduction, and another attempt at Section 89—The Movie!

If you have not personally met and shared your views with your senators and key congressmen on these issues, you have taken a passive attitude toward factors that can devastate your business and our industry; and if you maintain that attitude during the decade of the '90s, you'll be saying "the '80s were the good ol' days when I used to make money," because you will be out of business before the sun rises on the year 2000.

As business people in one of America's most opportunistic industries, we can no longer remain passive about the three biggest threats to our entire economic system—the national deficit, drugs and crime. I'm not suggesting that we have to become sign-carrying crusaders, but we must all actively address issues that threaten our ability to pursue our dreams and aspirations.

2. Focus on your strengths

The second dimension of the success paradigm of the '90s is to focus on what we can do with what we have, when we can and where we can. When I became president of Godfather's Pizza, one of my first actions was to listen to the management, the operations people and the franchisees about their views on how we got into the condition we were in and how we could get out. The message that came through loud and clear was that Godfather's Pizza had been trying to do too much, with too little, too fast. It had tried to out-muscle the larger competitors at their game, on their battlefield. But once we started to focus on our strengths and focus on niches in the segment where we could win, we were on our way to recovery.

Diversity is for the big players; they can afford the mistakes. They can tolerate the bureaucracy that creeps into an organization when you are trying to be the biggest. Focus has become a part of the culture at Godfather's Pizza; it influences our decisionmaking about strategy, tactics, operations, marketing, organization and standards.

Being the biggest competitor in the pizza segment of our industry is not one of our objectives; we simply aspire to the best. Our objective is not to have thousands of outlets; our objective is to have a few hundred quality pizza restaurants. Our objective is not to achieve compound earnings per share, but rather to achieve sustained value-added profitability for each individual unit. Our objective isn't even to be the fastest-delivered pizza in the segment, but rather to be the best-tasting pizza when it gets there. Our objective is not to have a large organization; our objective is to have a productive team of people. Our objective is not to have books written about Godfather's; our objective is to have fun!

3. Implement a bottom-up management philosophy

Prior to coming to Godfather's Pizza, I had worked for three very large companies—The Coca-Cola Company, The Pillsbury Company and Burger King Corporation. Most of my business experience had been in an environment where size, diversity and top-down management were big components of the paradigm.

On my way to Omaha for my first day at Godfather's Pizza as its new president, I flew from Philadelphia to Dallas for the NCAA final four basketball tournament. When I got on the plane in Philly and as I put my carry-on bag in the overhead compartment, I found a book that must have been left by a previous passenger, since the stewardesses said it didn't belong to them. The book was entitled *Marketing Warfare* by Al Ries and Jack Trout.

Wondering what I was going to do to turn Godfather's around at the time, the title seemed interesting, so I started to read. I was so intrigued by the concepts that I bought my own copy as soon as I got to Dallas and finished reading it before I got to Omaha. And one of the principles of *Marketing Warfare* is for management to go to the battlefront to find out firsthand what's happening in your business.

Fortunately, *Marketing Warfare* caused me to re-think the paradigm I was used to before starting at Godfather's Pizza. I'm convinced that the big-company paradigm nearly killed Godfather's Pizza in the early '80s and would have sealed our coffin if I had not considered a new paradigm as well as listened to my company's constituencies. Al's bottom-up marketing philosophy is equally applicable to how we manage our business.

Bottom-up management is not turning the asylum over to the inmates, but rather, really listening to the people in your organization closest to your customers, and then incorporating their ideas into your business plans where appropriate.

Many companies in the '80s proclaimed a bottom-up management style, but not as many actually achieved bottom-up management or even understood how it really works. Bottom-up management is not turning the asylum over to the inmates, but rather, really listening to the people in your organization closest to your customers, and then incorporating their ideas into your business plans where appropriate. Bottom-up management also promotes greater accountability and a sense of ownership throughout the company.

4. Strive for successive hits, not home runs

Lastly, when Godfather's Pizza was part of the Pillsbury portfolio, we were charged with helping to achieve Pillsbury's aggressive growth objectives. This caused us to continually look for "home-run" strategies and tactics, since we were competing for capital against the other larger and healthier subsidiaries. Successive "hits" simply would not grow our profits fast enough for their needs. As a result, Pillsbury decided that Godfather's Pizza did not fit its strategic future, so we decided to take it off their hands; and I'm glad we did. One year ago this month, we consummated our purchase of Godfather's Pizza. In this past year we have put together a string of "hits" that have added up to more sales, more profits, more stability and more fun!

5. Emphasize quality, not quantity

While our three largest competitors were increasing their media clout last year, we decreased our media expenditures for TV advertising because, as a wise man once said, "Never get caught in the middle of an elephant fight." And while our largest competitors were introducing new products, Godfather's Pizza was implementing new steps to help make our existing products more consistent. While our larger competitors were trying to deliver their product faster, we were trying to deliver our product hotter. While our competitors were building hundreds of new units, we were building a stronger infrastructure. While our larger competitors were trying to staff up for all those new restaurants they were building, we were working on keeping the staff we already had in our 525 units. Successive hits do not make headlines, they just make money!

The next decade is now

Now is the time for a new paradigm—an active paradigm of focus, quality, bottom-up management and the achievement of successive hits. The decade of the '80s for our industry will be remembered as a decade of shakeouts. The list of industry casualties and the walking wounded has gotten increasingly longer even within just the last 12 months. I can't speak for all of you, but as for me and Godfather's Pizza, we plan to still be standing strong when the dust settles because, as my grandmother used to tell me:

If you can't be a pine on top of a hill, be a shrub in the valley—but be the best little shrub.

If you can't be a goldfish, be a bass—but be the liveliest bass in the lake.

If you can't be a highway, be a trail.

If you can't be a sun, be a star.

It's not the size that determines who wins or loses, nor who stops short or who goes far, but being the *best* whatever you are. ❑

BOTTOM-UP MARKETING

by Al Ries and Jack Trout

After years of strategic work for some of America's largest companies, we have come to a revolutionary conclusion: Strategy should be developed from the bottom up, not from the top down. In other words, strategy should be developed from a deep knowledge and involvement in the actual tactics of the business itself.

Tactics should dictate strategies. That is, the communications tactic should dictate the marketing strategy.

Most marketing people believe the reverse. The accepted wisdom is that the grand strategy of the organization should be set first; then the tactics can follow.

Reversing the process

When you reverse the process, you can sometimes make important discoveries.

The research people at Vicks came up with a new liquid cold remedy which cleared up scratchy throats and running eyes, but unfortunately also put you to sleep—which was a problem if you wanted to go to work or drive a car.

Instead of writing off the research, someone at Vicks came up with a brilliant idea. If the product puts you to sleep, let's position it as a nighttime cold remedy. In other words, "the first nighttime cold remedy" is an advertising tactic that will work because it's based on the proven principle of being first.

And it did. NyQuil went on to become the most successful new product in Vick's history. NyQuil is now the Number 1 cold remedy.

The tactic (the first nighttime cold remedy) dictates the strategy (introduce a major new cold remedy product called "NyQuil").

A tactic must have a *competitive* angle in order to have a chance of success. This does not necessarily mean a better product or service, but rather there must be an element of differentness. It could be smaller, bigger, lighter, heavier, cheaper, more expensive. It could be a different distribution system.

Furthermore, the tactic must be competitive in the total marketing arena, not just competitive in relation to one or two other products or services.

For example, Volkswagen's decision in the late fifties to introduce "the first" small car was an excellent competitive tactic. At the time General Motors was manufacturing nothing but big, heavily chromed patrol boats. The Beetle was a runaway success.

The VW Beetle was not the first small car on the market, of course. But it was the first car to occupy the "small" position in the mind. It made a virtue out of its size, while the others apologized for their small size by talking about "roominess."

Second, a tactic must have a competitive *mental* angle. In other words, the battle takes place in the mind of the prospect.

Competitors that do not exist in the

Al Ries and Jack Trout are well-known marketing strategists who have written Marketing Positioning: The Battle for Your Mind *and* Marketing Warfare, *published by McGraw-Hill Book Company in New York City. This excerpt is from their 1989 book* Bottom-Up Marketing.

mind can be ignored. There were plenty of pizza places with home delivery operations when Tom Monaghan launched Domino's. But nobody owned the home delivery position in the mind.

Your tactic should be competitor oriented

Not too long ago Delta decided to offer a "triple-mileage" bonus to members (and new members) of its frequent flier club.

It seemed like a good idea, bound to attract a lot of new business for Delta. It did, but the new program also attracted American, United, Pan Am, TWA and Eastern. In fact, all of Delta's competitors jumped in and offered the same bonus deal. Delta didn't have enough time to establish the concept before the competition moved in.

When Burger King launched its "broiling, not frying" campaign, McDonald's didn't rip out all the fryers in its restaurants and put in broilers. It would have been enormously expensive to do so.

"Broiling, not frying" is a good competitor-oriented tactic because it cannot be copied quickly. Nor can it be copied economically.

When Michelin attacked the U.S. market with the radial-ply tire, it put Goodyear and Firestone on the defensive for many years to come. Even if the big wheels in the U.S. tire industry were willing to invest the money in radial-tire facilities, it would take years to get their production lines running.

The only tactic worth considering is the tactic that puts the knife into the competition. Tactics that just offer the customer some incentive to purchase also offer the competition some incentive to copy.

Yet most marketing programs involve coupons, rebates, in-store promotions, and a variety of deals. The ones that don't work cost you money. The ones that do work buy you the sincerest form of flattery; your competitors copy you.

You can't win by pleasing the consumer. Forget the deals. What would please the consumer most is your giving the product away.

On the other hand, a tactic that displeases one or more of your competitors is bound to be good for your business.

A tactic must have a competitive mental angle. In other words, the battle takes place in the mind of the prospect.

On the other hand, there are competitors who enjoy strong perceptions in the mind that do not agree with reality. It's the mental perception that must be considered in the selection of a tactic, not the reality.

A competitive mental *angle* is the point in the mind that allows your marketing program to work effectively. That's the point you must leverage to achieve results.

But a tactic is not enough. To complete the process, you need to turn the tactic into a strategy. (If the tactic is a nail, the strategy is a hammer.) You need both to establish a position in the mind.

What's a strategy?

In our definition, a strategy is not a goal. It's a *coherent marketing direction.*

A strategy is *coherent* in the sense that it is focused on the tactic that has been selected. Volkswagen had a big tactical success with the small car, but it failed to elevate this idea to a coherent strategy. It forgot about "small" and instead elected to bring into the U.S. market a family of big, fast and expensive Volkswagens. But these tactics had already been preempted by other car manufacturers. This opened the way for the Japanese to take over the small-car idea.

Second, a strategy encompasses coherent *marketing* activities. Product, pricing, distribution, advertising—all the activities that make up the marketing mix must be coherently focused on the tactic.

(Think of the tactic as a particular wavelength of light and the strategy as a laser tuned to that wavelength. You need both to penetrate the mind of the prospect.)

Finally, a strategy is a coherent marketing *direction.* Once the strategy is established, the direction shouldn't be changed.

The purpose of the strategy is to mobilize your resources to preempt that tactic. By committing all your resources to one strategic direction you maximize the exploitation of the tactic without the limitation that the existence of a goal implies.

Tactic versus strategy

A tactic is a singular idea or angle. A strategy has many elements, all of which are focused on the tactic.

A tactic is an angle that is unique or different. A strategy may well be mundane.

A tactic is independent of time and relatively constant. A strategy unfolds over a period of time. A sale is a tactic used at one time or another by most of the retailers in America. A store that has a sale every day is a discount store, which is a strategy.

A tactic is a competitive advantage. A strategy is designed to maintain that competitive advantage.

A tactic is external to the product, service, or company. It may not even be a product the company makes. A strategy is internal. (Strategies often require a great deal of internal reorganization.)

A tactic is communications-oriented. A strategy is product, service or company-oriented.

The principle of bottom-up marketing is simple: You work from the specific to the general, from the short term to the long term.

Note, too, the singular implication

of bottom-up marketing. Find a tactic that will work and then build it into a strategy. Find one tactic—not two or three or four.

Building your strategy

Then it's time to turn your tactic into a strategy.

The Little Caesar's pizza takeout chain developed a two-for-one sale. This was the tactic—the competitive mental angle—it selected to fight Pizza Hut, Godfather's Pizza and the other chains.

Normally sales are limited in time. They may last a day, a week, a month. They are used to stimulate trial. Give prospects a good deal to try the product and maybe some of them will become long-term customers at regular prices.

That's normally the fate of most tactics. They come and they go like the tide.

Little Caesar's, however, turned the tactic into a strategy by having a continuous two-for-one promotion.

The key concept is "continuous." To turn a tactic into a strategy, you must add the ingredient of time. You must find a way to incorporate the tactic into the fabric of organization and make it the company's key strategic concept, or reason for being.

"Two-for-one," the Little Caesar's slogan, became a coherent marketing direction. Little Caesar's became one of the most successful pizza chains with this simple strategy.

Most of the other pizza chains have been forced to add a two-for-one deal to their menus. These competitive responses, however, have been at the tactical level only. Pizza Hut, for example, can't afford to turn the chain into a two-for-one operation. It wouldn't be able to pay for its prime locations, its fancy seating, the salaries of waiters and waitresses, etc.

Little Caesar's, of course, is a takeout-only chain. To make the two-for-one concept work over an extended period of time, it has to keep its focus on low-cost locations and limited service.

The other pizza chain that successfully turned a tactic into a strategy is Domino's. The tactic that drives the Domino's business is home delivery pizza in 30 minutes or less.

> The essence of turning a tactic into a strategy is in making changes in the company or the product, not in trying to change the environment.

The traditional top-down process asks the questions in the "logical" order: (1) what food items do we want to sell and (2) how long would it take to deliver them?

The bottom-up process is just the reverse. Focusing on a tactic turns the planning process upside down. What food items can we sell to fit into the 30-minute delivery cycle?

To meet the guarantee, Domino's reduced the number of pizza sizes to two and cut the number of toppings to six. They sell just one beverage, a cola.

The essence of turning a tactic into a strategy is in making changes in the company or the product, not in trying to change the environment.

The tactic is your competitive angle. Be it "two-for-one" or "30-minute delivery" or whatever. When you turn your tactic into a strategy, the challenge is to maintain that single-minded clarity over an extended period of time. It's not easy. The pressure is to modify the strategy to incorporate other products or ideas. That weakens and dilutes the power of a coherent marketing direction.

A coherent marketing direction

When you start with a single tactic and turn it into a strategy, you restrict

Dealing with perceptions

Changing perceptions is the *modus operandi* of the traditional top-down marketer. Therein lies one of the major differences between top-down and bottom-up thinking. Dealing with perceptions is the hallmark of a bottom-up marketer.

You deal with perceptions by making changes in the company or its products, not by trying to make changes in the environment. When the boat is leaking, you don't try to drain the lake. You try to fix the boat.

Company people often get their priorities reversed. They believe they have to fall in love with their products or services or names before they can go out and market them: "If I know in my heart that we have a superior product, then I'm certain to find the right words and pictures and strategies to communicate those beliefs to others."

Falling in love with yourself is a dangerous illusion. It muddles your mind and clouds your thinking.

What you're trying to do in bottom-up marketing is not to change minds, but to take advantage of the perceptions that already are there.

To find an opening, you have to seize on a specific and then generalize it. In fact, you have to over-generalize it.

Marketing is a game where the simple idea beats the complex one, where the single idea beats the multiple thrusts.

To see why this is so, go back to the mind of the prospect. How are you going to get inside a mind? By taking one message and endlessly repeating it in different forms? Or by preparing many different messages?

When one message conflicts with another, you compete with yourself. You confuse the prospect. Who are you and what do you stand for? Prospects strongly resist giving any one product or company two different positions.

If you're in charge of a brand, you need the courage to say "no" to the proposition that you can make more money by "extending the line, using your well-known brand name."

yourself to a single marketing move. The process results in a coherent marketing direction.

When you work from the bottom up, you are certain to wind up with one tactic and a single strategy. In other words, you force yourself to concentrate on a single, powerful marketing move.

This is the most important consequence of a bottom-up approach. It's the essence of good marketing thinking.

An emphasis on change

The emphasis in bottom-up marketing is change in the organization. Without change in the product or service or price or distribution, any strategy is likely to be a meaningless string of words.

The emphasis in traditionally top-down marketing is change in the environment. "In order to achieve our goal of a 10 percent increase in market share, we have to increase brand preference for our product," says the traditional thinker.

In other words, *you* don't change; you try to change the marketplace. This is top-down thinking at its very worst.

Too many managers think they can run a marketing operation from an office. "A desk," wrote novelist John LeCarre, "is a dangerous place from which to watch the world."

Chief executives tend to lose touch

The bigger the company, the more likely it is that the chief executive has lost touch with the front lines. This might be the single most important factor limiting the growth of a corporation.

All other factors favor size. Marketing is war, and the first principle of warfare is the principle of force. The larger army, the larger company, has the advantage.

But the larger company gives up some of that advantage if it cannot keep itself focused on the marketing battle that takes place in the mind of the customer.

If you're a busy CEO, how do you gather objective information on what is really happening? How do you get around the propensity of middle management to tell you what they think you want to hear?

Who are you and what do you stand for? Prospects strongly resist giving any one product or company two different positions.

How do you get the bad news as well as the good?

One possibility is "going in disguise" or unannounced. Instead of talking things over, go out and see for yourself. As General Secretary Gorbachev told President Reagan on the occasion of the President's first trip to the Soviet Union, "It is better to see once than to hear a hundred times."

The sales force, if you have one, is a critical element in the equation. The trick is how to get a good honest evaluation of competition out of them. The best thing you can do is to praise honest information. Once the word gets around that a CEO prizes honesty and reality, a lot of good information might be forthcoming.

"The devil is in the details"

How should a CEO operate? Andrews Grove of Intel said it best: "There's a tendency at the senior and middle-manager level to be too big-picturish and too superficial. There is a phrase, 'The devil is in the details.' One can formulate brilliant global strategies whose executability is zero. It's only through familiarity with details—the capability of the individuals who have to execute, the marketplace, the timing—that a good strategy emerges."

Grove sums up his approach in one sentence: "I like to work up from details to big pictures."

Amen. This is the essence of *Bottom-Up Marketing*.

As you may have noticed, Intel has been on a roll, while General Motors has been going downhill rapidly.

It was in a seedy roadside motel near Washington DC that Kemmons Wilson got the concept for Holiday Inns. The place not only charged $6 for Wilson and his wife, but $2 for each of their five children as well. Highway robbery, he thought.

Wilson returned to Memphis determined to build a family motel where children would stay free. The next year he opened the first Holiday Inn.

You don't have to take a trip to find an angle. Jim Dyer invented the highly successful *Pocket Organizer* based on his own personal way of organizing his notes.

Richard James accidentally dropped a tension spring on the floor and it "walked." Forty-three years later, the Slinky is still a favorite toy for children and adults.

The devil is in the details. That's also where you'll find the tactic to turn into the brilliant strategy.

No easy way

Whether you are an individual entrepreneur or a corporate manager, whether you work for a big company or a small one, whether you're at the top or the bottom of the organization or somewhere in between, there's no easy way to practice bottom-up marketing.

There is, however, an enormous opportunity if you are willing to make the struggle. So few are doing it.

Most managers are up there looking down, armed with their corporate mission statements and five-year plans.

They are easy marks for bottom-up thinkers.

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SLOGANS

“FINDING A PHRASE CUSTOMERS CAN'T GET OUT OF THEIR MINDS”

Slogans do get customers! Some national advertisers have always used slogans. A popular current one is "The Pepsi Generation." In the automotive field, we have all heard the slogan by Toyota: "Oh, what a feeling!" or the one for Acura: "Fly without reservations." And in the restaurant business, "You deserve a break today," is virtually synonymous with McDonald's.

Why use a slogan?

An advertising slogan quickly identifies your place of business—for prospective and actual customers. It successfully sets your restaurant business apart from your competitors.

Not just any slogan will do, however. A slogan needs to be catchy and easily remembered. Short slogans are best. Also, some of the most memorable slogans are humorous, but usually these are the hardest to create.

Make sure the slogan you select for your operation is one that can be used in all your marketing efforts. And stick to only one slogan (rather than two or three) to avoid confusing your customers.

Put into your slogan something the public will like to learn. Highlight some well-defined aspect of your business, but don't promise more than can be fulfilled.

Use it everywhere

Once a slogan is adopted, exploit it on every possible occasion. Repeat it over and over. Then repeat it again! Put your slogan on your sign, in newspaper display advertising, on letterheads and invoices, and on rubber stamps, too. And don't forget to put it on your business cards.

Try a slogan contest

If you have trouble creating a really good slogan, get some help—and at the same time a lot of good advertising—by sponsoring a slogan contest. Advertise that you are looking for a slogan to use in your business and that you want the public to help you find one. Offer a decent first prize and a few minor ones for honorable mention.

Make sure you ask that all submissions be mailed. If you let contestants come to you in person, you'll not only waste time, but also many people won't bother to come in—and so you will have fewer slogans from which to choose.

You need a high volume of entries to find the proper slogan. And having a large volume also gives you a longer list of names for your direct-mail advertising campaigns.

When the time limit expires, you are ready to select the winner! Let your employees help you, and it will boost morale.

Stay away from such trite slogans as: "We aim to please" "Always a bargain" and "We are the very best."

It is possible that you won't find a winner—that is, none of the submissions may seem "just right" to you. In this case, no doubt you can take one of the better ones and change it slightly. By doing this, you will have a slogan that is ideal. If this happens, the prize goes to the writer of the "almost-right" slogan.

Slogan samples

Here are some effective slogans being used by restaurant owners.

☐ "Our fish is cooked your favorite way"—Newport Bay Restaurant; Portland, Oregon

☐ "We cook like mama does in Italy"—2 Guys From Italy; Los Angeles, California

☐ "Makin' it great!"—Pizza Hut

☐ "A celebration of food"—Chi Chi's

☐ "Pizza Pizza"—Little Caesar's

☐ "Complete breakfast anytime"—Around the Clock; Akron, Ohio

☐ "Pasta with a new twist"—Pasta Lovers' Trattorias; New York, New York

☐ "Make a run for the border"—Taco Bell

☐ "Foods of the Southwest"—Santa Fe East; Alexandria, Virginia

☐ "We do chicken right"—Kentucky Fried Chicken

☐ "We deliver"—Domino's Pizza

After the contest, it is a good idea to send each of the contestants a short note, thanking them for submitting a slogan.

Slogan discount

Should you elect to sponsor a slogan contest, use the contest as an excellent reason to offer a special discount. Advertise it as a "slogan discount." This is so startingly different that people will pay much more attention to the entire advertising message.

Then, once a slogan is selected and put into use, offer another promotion to celebrate. Use "we have our slogan" as the theme.

A few "do nots"

Some restaurant owners think that using just one word, such as SERVICE, will do the job. Although advertising your excellent service is fine, just using the word does not begin to accomplish what a slogan does. The single word "service" has no "remembrance-ability" for individual prospective customers—whereas a good slogan makes people recall the advertiser easily.

Other restaurant owners like to think they have several good slogans, so they rotate them. This merely confuses the public, who then dismiss all the slogans.

And then there are a few restaurateurs who use their slogan in only one place—the *Yellow Pages* or newspaper. This is not smart advertising. To be remembered, a slogan belongs on all printed advertising and office forms.

Powerful advertising

A most powerful advertising force is repetition. Put this powerful force to work for your business. Use your slogan!

—Alan W. Farrant

BUSINESS CARDS ARE GOOD BUSINESS

There is nothing small about the results you get when you hand out business cards. Your business card is an advertising medium that is low in cost, but very high in effectiveness. And it can boost the morale and cohesiveness of your staff.

by Alan W. Farrant

When you consider advertising media for your restaurant, you may be overlooking a medium that is relatively low in cost and high in effectiveness. It puts your message across to prospective customers quickly, and it works for years to come at no additional cost. This medium is the business card!

Compared with other printed advertising, a business card has few words on it. But these few tell a complete story—informing who you are, what you are, where you are and how to phone you.

Spread them around

Scatter your business cards far and wide; be overly generous in handing them out, because you never know when one card can bring in many dollars' worth of business. Leave them on desks and counters. Each time you meet someone, hand out your card.

Mail your restaurant business cards to a select list of current and former customers as a reminder that you are still in business. Encourage each employee to hand out the cards generously. If the card has the employee's name on it, so much the better. It lends prestige to your business and enables the customer to deal with the same person when coming to your restaurant or phoning in an order.

Employees will appreciate the cards, too, because cards help to make them feel like valued members of the team.

Here is a tip about presenting your card. Too often business owners carry business cards in their wallets. Then they have to take out the wallet, open it and take out a card. This wastes time and can be awkward. Instead, carry a few cards in your shirt or coat pocket. Make sure the cards are clean. All you have to do is reach for the card, smile and hand it to someone. If you give out some literature, staple your card to it. Otherwise it might become lost.

After you have handed a card to someone, politely suggest that he or she hold onto it or pass it along to a friend. Even if you have given a card on a previous visit, don't hesitate to offer another one. It may have been misplaced; and giving another will help to convince that it should be kept.

It is true that a lot of the cards you give out will be wasted—people will lose or throw them away. But there will be many other prospective customers who will put your business card in their billfold or purse or file it in a special business-card file on their desks. Then when they need your restaurant and services, they know right where to go. They will look for your card before they consult the *Yellow Pages*, because it is handier and more familiar.

Make sure they represent you well

Business cards are very personal and make a statement about you and your business. You should, therefore, design a card that is in good taste and one that represents you in the way you want to be represented. Budget enough money to provide a card that is well printed on good-quality paper. Colored stock can be distinctive, as can various colors of ink on white stock. Don't hesitate to ask for professional help in designing the card.

Here is a "no-no." Do not opt for a business card that is an unusual size. Although an extra-large one will attract favorable attention when handed to someone, it will not fit properly into a card-file. Many people, especially business owners, keep business cards they receive in a file. When a large one is placed in it, the card does not fit—and so it is usually thrown out.

Key information: telephone number and address

Because your telephone number is one of the most important items on the card, consider putting the number in a box or setting it off to the side.

On your card, too, should be your address and restaurant hours. When you print your hours, you extend an invitation to have your place of business visited. And that is what you want and need—traffic at your location.

Most forms of advertising are good. One of the very best is your business card. Spread it around! ❑

Alan Farrant is a business writer who lives in Pasadena, California.

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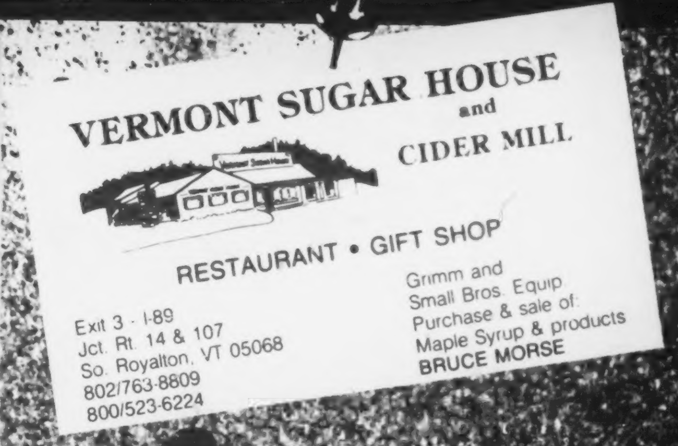

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COMING TO A TRUCE

WAYS TO BRIDGE THE GAP BETWEEN THE FRONT AND THE BACK OF THE HOUSE

by David Slater

At a thriving Washington DC restaurant, the kitchen and floor managers have finally achieved what they consider to be a working solution to the conflicts between their respective areas: They no longer talk to one another. "I finally came to the conclusion that cutting off communications was the only thing that worked," says the kitchen manager.

The "kitchen-door-as-a-line-of-demarcation" situation is not an entirely uncommon one. When food and beverage director Kurt Mathias arrived at Chicago's East Bank Club nine months ago, the kitchen and floor workers "were like the Hatfields and McCoys. They didn't talk to one another, and they were doing stupid, childish things to get back at each other." Instead of waving a white flag, however, the East Bank Club's management team instituted a cross-training program and other exercises geared toward closing the gap that often exists between the front and back-of-the-house employees. Mathias admits that the change hasn't been like night and day, "but it has helped a lot," he says. "And it proves that there are steps you can take to improve relations between the front and the back of the house. The keys are improving communications and making employees feel like members of a team."

"Communications" and "teamwork" are the two themes that operators in search of staff unity consistently drive home. As Ype Hengst, vice president of operations at The Silver Diner in Rockville, Maryland, asserts, "Good communication between the front and the back of the house is essential. And to achieve that, you have to take away the perception of the front of the house being an entity and the back of the house being an entity. One of the first words we use is 'team'—and we keep repeating it because we only want team players working for us."

Bolstering the esteem of the weaker side

Before staff members can think of themselves as members of a team with a common goal, says Tom McCabe, owner of Tom Foolery's in Westborough, Massachusetts, they have to be comfortable with their roles on that team. But too often, says McCabe, kitchen workers aren't allowed to share in the pleasure of seeing customers' smiles or hearing their compliments. Accordingly, McCabe has made it his top priority to raise the status of the kitchen workers to equal that of the servers.

McCabe considers a restaurant to be like a Swiss watch, in which one malfunctioning gear can bring the entire mechanism to a halt. "The kitchen staff is a significant gear on that watch, and we constantly work to let them know that we think of them as being special," says McCabe. "In fact, we've had a policy for some time that we refer to the back of the house as 'the heart of the house,' because without the kitchen beating properly, the rest of the operation can't continue to function."

One of the biggest boosts to the kitchen staff's collective self-esteem, however, came with the formation of the Amazing Culinary Team, or A.C.T. McCabe and his managers conceived the idea of A.C.T. in 1986, at the height of the labor shortage in Massachusetts. To highlight the kitchen's contributions to the operation, a logo and slogan ("Amazing Culinary Team—a tough act to follow") were developed and placed on hats, tote

David Slater is a communications specialist at the National Restaurant Association.

Eric Westbrook

bags, golf shirts and baseball-style satin jackets.

The kitchen crew's reaction to A.C.T. was positive from the start. "We've always had a good atmosphere in the kitchen," says general manager Tom Lyons. "But the A.C.T. was a finishing touch. After we initiated the program, the kitchen really began to pull together—they developed more of a team spirit."

The Amazing Culinary Team not only changed the way the kitchen staff thought of themselves. It also changed the way others thought of them. "Do-ers" profiles on the staff message board, for example, let other employees learn why A.C.T. members really are "a tough act to follow." These profiles list work accomplishments, hobbies and interests, such as last movie seen or last book read, to help the workers get to know each other better. The A.C.T. concept has also become a marketing tool, says McCabe. "In ads we talk about A.C.T to tell the public that we consider our kitchen staff to be extraordinary. The ads give the staff recognition, and they tell anyone looking for a job that our kitchen team has something special to offer."

McCabe is planning to initiate a "Brunch Assault Team" to recognize the employees who work the grueling Sunday brunch shift, one of the management's hardest shifts to staff. According to McCabe's plan, workers who have been doing a good job on the less-than-desirable shift would be rewarded with B.A.T. uniforms, including hats with stenciled logos and captain's bars to indicate longevity of service on the team.

McCabe has been given several indications that his A.C.T. concept is successful at raising morale and helping the entire restaurant staff think of themselves and their co-workers as skilled members of a team rather than simply names on a payroll. At a free Christmas dinner that the restaurant sponsored for the community last year, for example, the staff quickly filled all unpaid work slots, indicating that they received a personal satisfaction from their job that was at least as important as the financial rewards. And after the dinner, says McCabe, when the diners applauded the service staff, the waitstaff showed that the meal was truly a team effort by inviting the kitchen workers out so they could also take their bows.

Whether the recognition comes in the form of applause from customers or in the form of A.C.T. caps, McCabe says he has come to realize that "recognition goes much farther than money in making people appreciate their job and each other."

Thinking problems out

Ken Koock, who owns four Mexican restaurants in Austin, Texas, is among the group of operators who consider a lack of communication to be a main source of tension between the front and back of the house. "Attitude is key. A big problem can grow from a little incident, such as when one person is in a bad mood and doesn't communicate well."

At his Green Pastures and three Tres Amigos, which employ a total of 180 employees, Koock takes several approaches to making sure that these small communications problems don't grow into big divisions between kitchen and floor workers. The first weapon is a simple managers' log, combined with full staff meetings every two weeks. Each day, managers note any personality problems that arise between workers. At the twice-monthly meetings, these problems are brought up, and kitchen and service personnel are encouraged to "discuss problems that mutually affect their performance. We've been quite pleased with their ability to communicate," adds Koock, "and we've found that these meetings, held on a regular basis, can make sure tensions don't build up too much."

In addition to full staff meetings every other week, the management of The Silver Diner in Rockville, Maryland, also meets with an "employee council" once a month. The council, because it consists of four or five employees selected as spokespersons by both the kitchen and service staff, reinforces the image of the staff as a team with shared goals and concerns.

The council discusses problems the staff has with each other, with the managers or with the way the restaurant is run. "We tell them not to hold back—and they don't," says Hengst. "But as soon as possible, we respond by posting a list of employee concerns, what we can do immediately about them and what we can do next. It's important that they see we take their concerns seriously if they are to understand we are all working toward the same goal."

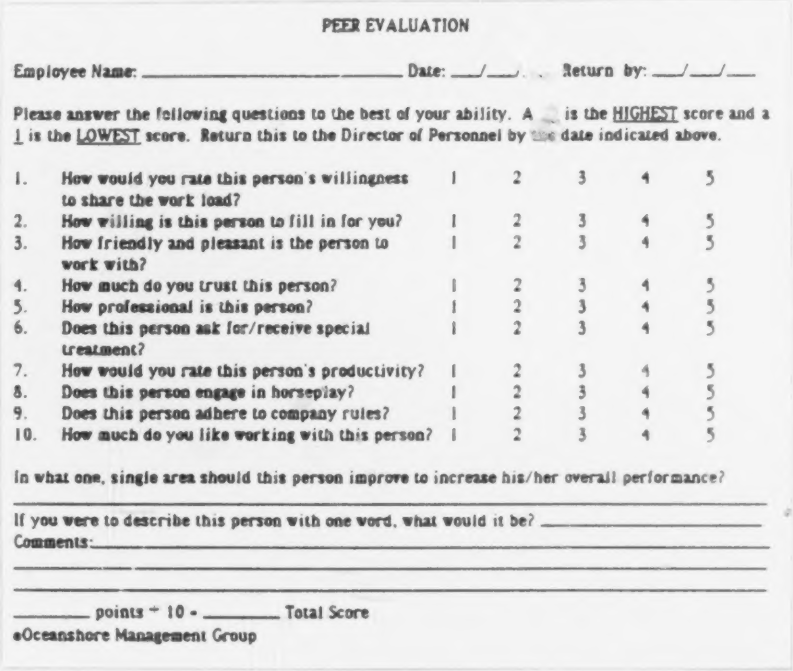
Getting the kitchen and service staff talking

Opening communications between the kitchen and service staff is difficult enough if, as is often the case, the two groups consist of individuals who wouldn't normally interact. The problem recently has been intensified because of the increasing number of foreign-born kitchen employees nationwide who do not speak English. At best, these employees feel an unavoidable isolation from their English-speaking co-workers and management. At worst, as in the case of Hispanic workers who are addressed with a generic "Hey, amigo" or "Hey, hombre" by (sometimes unwittingly) insensitive co-workers, they are made to feel like mere functionaries instead of the key players they often are.

To get around the language problem, some operators use interpreters at staff meetings or sponsor in-house language classes. In some cases, however, the simple—but effective—technique of asking everyone to use a name tag can at least be a step in the right direction.

At the East Bank Club, for example, relations between servers and kitchen workers changed significantly when Hispanic kitchen workers were provided with name tags. According to food and beverage director Mathias, "Now, instead of saying, 'Hey, hombre, can you get me this?' a server can say, 'Luciano, please get me a side of salad dressing.' It sounds simple, but now everyone knows who everyone else is, and the workers have really responded to it because they are given the sense of dignity and individuality they deserve."

Mathias also believes that once the lines of communications are opened in a restaurant, activities that involve the interaction of the entire staff, such as group tastings or parties, can go far in reinforcing a team spirit and restaurant culture. At the East Bank



A cross-evaluation system is one way to create an awareness of and an appreciation for what other people do in the restaurant, says Bill Main of The Shorebird.

PEER EVALUATION

Employee Name: ______________________ Date: ___/___/___ Return by: ___/___/___

Please answer the following questions to the best of your ability. A [illegible] is the HIGHEST score and a 1 is the LOWEST score. Return this to the Director of Personnel by the date indicated above.

1.	How would you rate this person's willingness to share the work load?	1	2	3	4	5
2.	How willing is this person to fill in for you?	1	2	3	4	5
3.	How friendly and pleasant is the person to work with?	1	2	3	4	5
4.	How much do you trust this person?	1	2	3	4	5
5.	How professional is this person?	1	2	3	4	5
6.	Does this person ask for/receive special treatment?	1	2	3	4	5
7.	How would you rate this person's productivity?	1	2	3	4	5
8.	Does this person engage in horseplay?	1	2	3	4	5
9.	Does this person adhere to company rules?	1	2	3	4	5
10.	How much do you like working with this person?	1	2	3	4	5

In what one, single area should this person improve to increase his/her overall performance?
____

If you were to describe this person with one word, what would it be? ______________

Comments: ______________________________________

____

____

________ points ÷ 10 = ________ Total Score

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The
Amazing Culinary Team
Tom Foolery's

To highlight the kitchen's contributions to the operation, Tom Foolery's developed this logo and slogan—Amazing Culinary Team: A tough act to follow.

Club's company picnic, for example, a tug-of-war and softball game between servers and kitchen staff, as insignificant as they sound, helped bring together the two groups. Not only do such team activities channel tensions into the competitive sports arena, but they also bring a sense of fun to what can sometimes be a hurried and clipped interaction. "Ninety percent of the challenge," says Mathias, "is getting front and back-of-the-house people to know each other."

Stepping into each other's shoes

Because a lack of understanding of the other group's jobs is commonly cited as one of the main sources of tension between kitchen and service employees, cross-training, which places workers in their co-workers' shoes, is an effective technique for increasing sensitivity among employees.

At Koock's restaurants, floor supervisors, who function as "super waiters," are rotated into the kitchen for four hours each week to do prep work and assist the cooks. The result is an increased ability to improvise on the floor and to pitch in when needed.

Koock also insists that his upper-management staff be kitchen-trained as well as service-trained. "In the past, we found that managers who had worked only in service areas did not have the objectivity or overview that is needed to make the restaurant move smoothly. Now, the back-of-the-house workers know that they will get the support they need because the management has been kitchen-trained," says Koock.

Cross-training has also proven to be successful at the East Bank Club, where, says Mathias, there used to be a "serious lack of respect for front-of-the-house managers, and a total lack of communication between service and kitchen employees." A four-month-old policy now mandates that all servers, during their training program, spend at least one day on the line as cooks. The program, Mathias adds, has had dual rewards. "The servers begin to understand what a cook goes through when he has to serve 1,200 people in a day—now they know why it is sometimes necessary to send an item out first because of circumstances in the kitchen. In addition, the cross-training has helped the kitchen people get to know the trainee. This has helped reduce that natural animosity that otherwise exists."

One of Mathias's only regrets is that the minimal turnover in his kitchen staff has prohibited him from instituting a policy of rotating new kitchen workers through the front of the house.

At Jose Bubushka's (three units in Michigan), director of operations Bill Linkfield brings kitchen workers out on the floor whenever possible. This technique has several benefits. For example, "food runners turn into assistants on both ends, in the kitchen and on the floor. Dishwashers who work some shifts as busboys get an appreciation of what it's like out on the floor. And the same goes for some of our cooks who double as waiters on the weekends."

This cross-utilization of workers breaks up the monotony for the rotating workers and, says Linkfield, helps with his scheduling "because a prep worker can come out to work on the line for an hour or a busboy can come back and unload a dishtub during a rush, I need one less dishwasher." More important, however, cross-training diminishes the invisible line drawn between the front and back of the house. "When a floor worker goes into the kitchen or vice versa," says Hengst of The Silver Diner, workers say, 'Hey, it mustn't be that bad in the kitchen' or 'Hey, it mustn't be that bad on the floor.' These are the kind of things that break down the barriers between the front and the back of the house."

Filling out report cards for each other

Just as cross-training can raise an employee's sensitivity to those who work in other roles in the restaurant, restaurateur and consultant Bill Main has found that peer cross-evaluations remind employees that the restaurant's success depends upon their smooth interaction with others. At The Shorebird, in Princeton-by-the-Sea, California, Main uses a peer cross-evaluation form to let employees know what their co-workers think of their work performance. These evaluation forms include such questions as "How would you rate this person's willingness to share the work load?" "How much do you trust this person?" and "How much do you like working with this person?"

The peer evaluations, which Main also uses as a criterion for promotions and raises, take place after a person has been employed for 90 days and one to three times a year afterwards. "The cross-evaluation system is the best system to join the front and back of the house that I know of," says Main. "It's a good way to get people involved and to create an awareness of and an appreciation for what other people do in the restaurant."

Breaking down barriers

Maintaining smooth relations between two groups of workers who, as operator Ken Koock points out, "have totally different mindsets," clearly is a full-time job for operators and managers. But the task is worth pursuing, because by working to raise employees' self-esteem, increase their understanding of their co-workers' importance and facilitate communications, operators can put welcome mats, instead of foxholes, on each side of their kitchen doors. ☐

31
WAYS TO
REDUCE BURNOUT

by Gary Stern

When Rachel Gordon (not her real name) graduated from the Culinary Institute of America in the late 1970s, she saw herself not as a chef but as an artist. Idealistic and imbued with the notion of bringing high-quality American food to her native San Francisco, she opened her own restaurant, which drew raves. To maintain quality control, she worked from 9 a.m. until 1 a.m.—16 long hours, often six days per week. But after three years of the grueling schedule she felt depleted and regretted having little personal life and time for loved ones and friends. Finally, after much soul-searching, she decided to close her restaurant and work as executive chef. Five years later she still finds the demands the foodservice industry places on her and other restaurant personnel to be unending, and she is now wondering whether or not to stay in the restaurant business.

Rachel is a symbol of what happens to the enthusiastic restaurant employee after several years in the business. No different from nurses, schoolteachers and other service employees, restaurant workers who face intense pressure, long hours and close contact with the public fizzle out after five or so years and quit to pursue other opportunities. Turnover presents an ongoing problem to restaurateurs who know that a veteran, capable staff generates restaurant stability, increased profits and a more professional working environment.

How can knowledgeable restaurateurs prevent employee burnout from occurring at their restaurant? Here are some proven strategies from restaurant operators, managers, chefs, teachers at culinary schools and restaurant consultants.

1. Recognition: first and foremost. Vincent Pascal, vice president in charge of operations for Ark Restaurant Management Corporation, which runs 10 restaurants in the New York City area, believes one of the main reasons so many restaurant personnel burn out on the job comes from a lack of recognition for a job well done.

Stuart Armstrong

Each restaurant in the Ark Restaurant chain is given a monthly budget for the manager to use at his or her discretion to reward employees of the month. Servers, busing staff, bartenders all have a chance at receiving Broadway theater tickets, bottles of wine and $25 bonuses.

2. A decent schedule helps. Long working hours contribute to employee dissatisfaction, fatigue, low morale and eventual turnover. At Marriott Hotel restaurants, company policy dictates that employees work standard five-day-a-week schedules and never longer than a 10-hour day, says Forbes Husted, general manager of the Marriott Hotel at Newark Airport.

Lettuce Entertain You Enterprises, the Chicago-based restaurant firm, takes a different approach. It maintains a healthy attitude toward time off and flexible schedules. Every week employees request time off, and on the basis of seniority, their wishes are granted. Lettuce Entertain You makes sure to have enough personnel on hand to allow for this type of flexibility.

3. Training can increase confidence. Lack of training is one factor that leads to employee burnout. Too many employees are not clear about what owners want from them or how they should do their jobs. Failure to communicate expectations renders ineffective most human resource efforts, while training allows employees to develop to their full potential.

4. Job descriptions clarify expectations. Clearly worded job descriptions, specifying exactly what the job calls for, can help ease staff dissatisfaction, because like training, they help clarify duties and responsibilities.

5. Performance reviews are a must. People want to know how they are doing; when they don't get feedback, their spirits plunge. Good behavior left unnoticed will not last, and poor performance left unchecked can snowball into low morale by others on staff.

6. A clear chain of command cuts down on confusion. A clear chain of command can increase job comfort. If three or four people own a restaurant, each may give orders—often contrary ones—to the staff. Confusion, mixed signals and conflicting demands quickly set in.

7. Employee feedback increases involvement. The more the staff is listened to, the more they will feel involved. At each of the Ark Restaurants, each manager is required to sit down with each employee at least once a year. Employees are asked a

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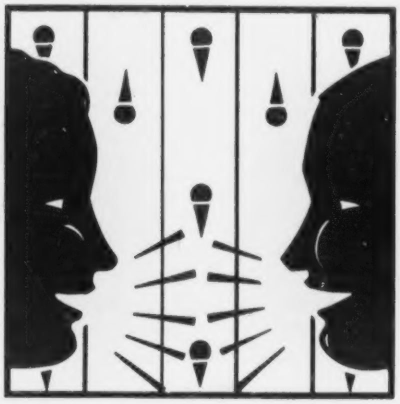
Gary Stern is a freelance writer in New York City. This year he has written about chefs, critics and pests for ***Restaurants USA.***

series of specific questions, such as "How would you characterize your customers?" "Which are the best stations?" "What are your goals for two years from now?" and "How would you describe your own performance?" "We want to hear everything they have to say," explains Vincent Pascal.



The Russian Tea Room management staff holds regular meetings with hourly employees to encourage them. And they're coming up with ideas. Using staff suggestions, the Russian Tea Room has invited an expert to lecture on 30 different kinds of vodka, brought in wine experts and started employee loan programs.

8. Consistent treatment builds a team. Employees want to be treated in a fair and consistent way that will help them handle the restaurant's hectic and frenetic pace, observes Michael Romano, executive chef of the Union Square Cafe in Manhattan. If the executive chef gives the sous chef preferential treatment over the salad chef, enmity may develop. "We're all working as a team to prepare the meal" is the spirit that an executive chef and a manager want to convey, Romano suggests.

9. The kitchen staff and wait staff can work together (see page 25). In the tense environment of most restaurants, dissension between front-of-the house and back-of-the house staff contributes to employee burnout. When there's a warm rapport between kitchen and wait staff, everyone gains.

10. A manager must support the staff. Restaurant personnel like to feel that managers support them. If a manager sees a problem brewing between a server and a customer, often it is advisable to step in and smooth over the problem.

11. Excellent performance deserves a reward. Owners can create incentives to reward performance and highlight achievement. Servers who have the highest check averages or the most desserts sold for the month, for example, can earn free dinners at other restaurants or a bonus percentage.

12. New experiences provide variety. After serving in the same restaurant position for many years, many restaurant employees may feel trapped or may fall into a rut. That's why Romano of the Union Square Cafe says that he likes to stretch his staff's talents by providing them with new challenges when performance warrants. This can involve adding to their job responsibilities or giving them a special assignment.

13. Hiring right is the first step. You hire as is. Skills can be built, but the right personality must already be there. Mark Miller, owner of the Coyote Cafe in Sante Fe, New Mexico, knows that only a certain kind of restaurant employee will choose to live in a small resort town like Sante Fe for a prolonged period. When he hires chefs, managers or servers, he tries to familiarize himself with them as people. He'll ask them whether they've lived in a small town before and how much they engage in outdoor activities, the mainstay of life in Sante Fe.

Other restaurateurs put a premium on outgoing personalities, because affable and talkative employees relate well to patrons.

14. Promoting talented employees boosts loyalty. Susan Feniger, co-owner with Mary Sue Milliken of two successful Los Angeles restaurants—City Restaurant and Border Grill—is always on the lookout for talented employees who can move up the ranks. When she spots a waiter or waitress who is especially industrious or who makes suggestions to improve the restaurant's operation, she will take the person aside and over coffee tell him or her, "We're growing and you could go places with us." She may suggest the employee take management classes at an adult continuing education program.

15. Respect wins points with everyone. It may sound like a cliche or a page out of the Girl Scout/Boy Scout handbook, but management's respect toward employees goes a long way to boosting recognition, raising morale and easing burnout problems.

16. Having fun eases tension. Often restaurant employees take their work too seriously. Every member of the staff of Lettuce Entertain You Inc., however, is trained with a philosophy that says "make money and have a good time." At daily server meetings managers not only discuss daily specials but they also motivate their staffs by recounting recently heard jokes, philosophies of life and memorable anecdotes.

17. Relieving the pressure on the executive chef can ease kitchen stress. For example, allowing a sous chef, under the direction of the executive chef, to be responsible for lunch can minimize the all-consuming pressure that a chef experiences for two meals a day, says Leslie Revsin, consultant and former executive chef of Bridge Cafe, 24 Fifth Avenue and Metropolis.

18. Happy dishwashers mean more than clean dishes. The executive chef is not the only key employee in the kitchen. Dishwashers, too, can play an important role and should be recognized for their accomplishments. At the Hat Dance restaurant in Chicago, manager John

Buchanan presents a "dishwasher of the month" award, which comes with a T-shirt and hat.

19. The personal touch is a healing balm. The more personal you are with your staff, the better you are able to communicate with them and the less burnout will be a problem. Don't write impersonal notes; learn your staff's names and speak to them one-on-one whenever problems arise.

20. Employees appreciate being treated as people. "It's easy to get so busy with the business that you're looking at people as figures and interchangeable parts that do a task," notes Husted of the Marriott Hotel at Newark Airport. Some efforts to keep the "humanness" factor in the restaurant include employee picnics and programs to deal with personal problems, such as alcohol or substance abuse.

21. A newsletter says "thank you" in public. Everyone likes to see his or her name in print. Newsletters can be started at minimal cost to motivate the staff—and inform customers. Large companies, such as the Marriott chain, publish a specific employee newsletter or magazine. Other organizations publish a newsletter that doubles as a promotion piece. Articles can include employee profiles as well as recipes and a discussion of promotions and food trends.

Watching for the telltale signs

At Lettuce Entertain You Enterprises, Inc., in Chicago, managers go through a training program in which they are taught how to look for signs of burnout and how to address employees when dissatisfaction is observed. For example, if a waiter or busboy comes to work unshaven or a waitress doesn't wear lipstick, there may be a problem brewing. "Managers look for crankiness and little signs of tiredness," explains vice president of human resources and training Loret Carbone. If signs are apparent, managers are trained to use one-on-one communication to unearth the problem and discuss solutions.

One evening Carbone spotted a waitress who is usually cheerful, looking disconsolate. Carbone took her aside and inquired whether anything was the matter. Beginning to cry, the waitress informed her that she had waited on a table of eight people for more than two hours and got "stiffed." The next night Carbone made sure that the waitress served a table of people known to be generous tippers so she could be compensated for the previous slight.

22. Employees want to know what's going on. Don't let employees be the last ones to know of organizational changes. At the Sign of the Dove in New York City, the staff was the first to review a recent menu change. "The staff is the absolute front line. They deal with the customer. You don't want to make them follow your blind leads," notes restaurant consultant Clark Wolf.

23. Food can talk. A restaurant owner who serves his staff leftovers is conveying a strong message of how he perceives his staff. Rozanne Gold of Joseph Baum and Michael Whiteman Company, Inc., in New York City says that restaurants can make sure that they serve food to the staff that it will like. A side benefit—restaurant staff can test out the cafe's menu and discuss it from personal experience.

24. Money does play a role. A fair wage is understood to be a requirement for job contentment, but a profit-sharing plan and Christmas bonuses can be powerful motivators, too. Some employees have even established an employee-loan program to ease the financial burden of staff members.

25. A sense of humor creates the right climate. "Management has to have a sense of humor, because management sets the tone," says Ray Wellington, wine director for the New York Restaurant Group. "If you have a frown on your face, the employee will think he or she is doing something wrong."

26. Stagnation can sap interest. "A restaurant that isn't always changing can quickly turn into a parking lot," says Clark Wolf. Change the menu. Introduce new programs and promotions. Keep your restaurant lively and new.

27. Physical fitness increases stamina. Mark Kiefaber, program manager at the Center for Creative Leadership in Greensboro, North Carolina, has studied burnout problems in many corporations. He urges restaurant employees to take good care of themselves physically and psychically. An owner or manager can set the physical-fitness pace.

28. An educated staff is more competent. Jerry Vincent, program director of Hospitality Management at Johnson County Community College, in Overland Park, Kansas, says that restaurants that educate their staffs and challenge them can increase sales as well. Training can be in house—by a staff person or visiting speaker—or away from the restaurant at a community college or culinary school.

29. Problem solving is an opportunity for involvement. When staff members are asked for their ideas to solve problems, they feel valued—and often come up with the right solution.

30. The right organizational culture keeps burnout down (see page 12). Preventing employee burnout must stem from an "attitude from top to bottom," says Jerry Vincent. It has to start with the top person caring about every individual in the organization. A team effort is needed to prevent burnout—every manager, every hourly employee, must be trained to be sensitive to other members of the staff.

31. A long-term view is a built-in safeguard. When restaurant owners are in the business for the long haul, not for a quick profit, they make it their priority not to overwork their staff. ❑

#102

Vexing employee issues—and what to do about them

A manager must be prepared to deal with vexing employee-relations issues that arise from time to time. These matters should be handled professionally, calmly and directly or things can get out of hand—to the detriment of the organization. Here are a few of the kinds of vexing issues that can arise, together with what I have found to be good (not perfect) responses to these situations.

1. **Issue: You receive an anonymous letter stating that one of your employees is dealing in drugs and that some of this activity is occurring on premises.**

Response: Call the employee in and tell him or her about the letter. Indicate that you do not give credence to anonymous letters or phone calls. Ask the employee if he/she knows who might want to damage his/her reputation, cause trouble in the workplace, etc. In a general way, restate your company's position on drug use (and drug dealing) and mention the illegality of such activity and the damage to body and mind, etc. Ask the employee to help you and others in the organization to be vigilant in this area. If the employee is involved, he/she will usually separate from the organization as the result of the "exposure."

If drugs are indeed a problem in your organization, consider starting an employee assistance program (EAP).

2. **Issue: An employee records (or inflates) a questionable expense on the employee expense reimbursement form.**

Response: The principle involved here is that you cannot tolerate dishonesty; because if you do, it will become endemic to the organization. If it's a minor matter, call the employee in and ask for an "immediate explanation." You will probably get a feeble excuse. ("I had a lot of receipts, and I guess it just got mixed up.") Emphasize *very firmly* the necessity for accuracy in completing this critical report. Return the form to the employee and ask for a corrected version. Generally, you won't have any more trouble with the employee, because he/she knows you look over those reports carefully. That's a reputation you want to cultivate.

If it's a major matter, it may be grounds for dismissal, however, depending on such things as general performance, time with the organization, etc. If dismissal is not an option you want to consider, you may want to let the employee know that you are writing a "memo for the file" about the incident and that you will keep the memo in your desk and will not insert it into the employee's personnel folder *unless* there is another incident.

On all other matters of theft (record falsification is one of several types), you have no alternative but to terminate the employee.

3. **Issue: An employee tells you he/she has been offered another position at a higher wage but would stay with your company if you would match the offer.**

Response: Do not give the employee an immediate answer, but say that you will review the records, the wage structure and other factors to determine whether the position is priced competitively. Then take a look at it. If you've got a balanced structure and are competitive, you are better off advising the employee to take the new position; otherwise, you will disrupt the structure, and that's how things get out of kilter.

Often employees use this technique as a plea for recognition and a discussion of their future (not recognizing that there is a more open and direct way to do it). If you do not provide ample recognition or do not have a good, solid (but professional) interpersonal relationship with your employees, then they'll leave you anyway. Some people just do outgrow their positions and organizations. It's a fact of business life.

4. **Issue: An employee's creditor contacts you to request your assistance in encouraging the employee to make payment (not a garnishment situation).**

Response: Tell the creditor that his/her business relationship with the employee is outside the scope of your organization and that the creditor should use other established channels to seek whatever redress is due. Don't mix yourself into that relationship.

Then tell the employee that you had an inappropriate contact from a creditor and explain how you replied to the creditor. You need to tell the employee what happened because an unscrupulous creditor may still try to suggest an alliance with you as leverage with the employee. Keeping the employee informed keeps everything above board and keeps you out of it.

5. **Issue: An employee comes to you complaining of sexual harassment by a co-worker.**

Response: Write down the details of what you are told. Ask the complaining employee to write down the facts leading to the complaint, in the interest of thoroughness, even though you have recorded the details. Some employees may not want to set their complaints down in writing. Even so, you have to deal with the situation, since it has been brought to your attention.

Call in the co-worker. State that a complaint has been received and name the complainant. Ask, "Do you have anything to say?" Take notes. If there is a basis for the complaint, state that such conduct is not consistent with the professionalism and mutual respect that is the standard for the organization. If there is a denial, say that you are not being accusatory. Instead, explain that because the situation has been brought to your attention, you, as a manager, are obliged to address it. Ask the co-worker to respond in writing. You are likely to get action.

Most probably, the complaint and the response will fall into a "gray area." The offending co-worker may claim he/she was joking, that it was good-natured fun, etc. The complainant will probably say it was not a joke or that the so-called joke was itself offensive. If this is the case, explain to the offending co-worker the necessity for sensitivity in remarks, acts, etc.—not only with the complainant, but also with everyone. Assure the co-worker that his/her written response and your notes will go into an envelope (not the personnel folder), to be kept in your desk unless there are further incidents.

6. Issue: An employee asks you for a loan.
Response: It's better not to get into a personal creditor relationship with an employee. Suggest the use of traditional channels, such as banks, personal-finance companies, etc. If it is warranted, you may want to give a salary (wage) advance secured by vacation-time build-up.

7. Issue: An employee begins soliciting funds from other employees for some charity or institution.
Response: If you don't already have one, establish a policy that prohibits solicitations, except for company-authorized solicitations, such as the United Way Campaign.

Because the people, facts, timing and circumstances of vexing issues are all different, temper your responses with judgment. Use the responses here as a framework within which to manage these types of matters when they come before you.

***Fisher's Law #102:* If you manage vexing issues, minor management headaches will not become major management problems.**

Yogurt—now in the mainstream

In the 1960s restaurant chefs who used yogurt were confined to health-food restaurants in areas like Berkeley, California; Cambridge, Massachusetts; or similar university towns. By the 1970s yogurt was making appearances on salad bars, in cafeteria lines and as a popular frozen dessert. But as the 1990s approach, yogurt is going mainstream. It's being used by chefs in soups, dressings, sauces and desserts in a variety of restaurants.

Yogurt consumption in the United States has exploded since 1960, when we consumed just more than one-quarter pound of yogurt per person annually. By 1986 American consumers were downing more than four pounds each. A glance at the National Restaurant Association's Restaurant Hotel-Motel Show exhibit guide reflects the trend. In 1989, 21 exhibitors featured yogurt, while in 1985 only five did so.

Although our nation's infatuation with yogurt may be a recent development, other cultures have been enjoying it for centuries. The Dutch, Swiss and French, for example, are the top three yogurt-consuming populations on a per-capita basis.

What is yogurt?

Yogurt is classified as a cultured or fermented milk and is made by adding live cultures, *Lactobacillus bulgarius* and *Streptococcus thermophilus*, to whole, low-fat or skim milk. These bacteria feed off lactose, the naturally occurring milk sugar, and convert it to lactic acid, which gives yogurt its characteristic flavor and custard-like consistency. The process takes about three hours of incubation at about 110° F. and can be produced quite easily by using a few tablespoons of yogurt with active, live cultures as a starter. Although most European countries require that yogurt contains live, active organisms in the finished product, the Food and Drug Administration allows commercial yogurt sold in the United States to be heat-treated after culturing. This destroys and deactivates live active cultures. Heat-treated yogurt must be so labeled. All yogurts with live active cultures will list one of the following statements on their labels: "with active yogurt cultures," "living yogurt cultures" or "contains active cultures."

What are its benefits?

Yogurt earned its reputation as a longevity enhancer at the beginning of this century, when a Russian scientist and Nobel Prize winner touted a theory that the live cultures in yogurt could improve the intestinal environment and prolong life. Although unproven, the health claims for yogurt have managed to survive for more than 75 years.

Because the cultures in yogurt convert milk's sugar—lactose—into lactic acid, yogurt is tolerated by people who are lactose-intolerant and are unable to digest lactose on their own. Scientists have found that the active, live cultures in yogurt do not colonize or flourish in the human digestive tract. But they think yogurt cultures can enhance the natural intestinal bacteria and make them more effective.

When included in the diet on a regular basis, yogurt seems to have definite health benefits. Yogurt-eating populations tend to suffer less colon cancer than their nonyogurt-consuming counterparts. Yogurt is also an effective anti-diarrheal agent. Plus, this fermented-milk product is often recommended by physicians to patients who have been on antibiotic therapy, to restore useful bacteria that normally thrive in the intestine

CREAMY RANCH DRESSING

Yields 1½ cups

Ingredients:
½ cup plain nonfat yogurt
½ cup low-fat buttermilk
1 Tbs. cottage cheese
1½ Tbs. grated Parmesan cheese
1 clove garlic, blanched
2 tspns. fresh or ¼ tspn. dried oregano
1 tspn. fresh or ½ tspn. dried basil
½ tspn. fresh or a pinch dried thyme
1 pinch each of dried sage, cayenne pepper and cumin
1 tspn. Worcestershire sauce
½ tspn. Tabasco sauce
½ tspn. lemon juice

Method:
Combine all ingredients in a food processor and blend until creamy.

—Recipe courtesy of Tracy Pikhart Ritter, The Golden Door

but are killed by antibiotics. Yogurt's role as a cholesterol-lowering agent is still questionable.

The nutritional value of yogurt should not be overlooked. Yogurt is made from milk. It is an excellent source of protein and calcium, and it has the other nutrients found in milk. Whole, lowfat or skim (nonfat) milk can be used to make yogurt. Therefore, the fat content of yogurt can vary from less than one gram to seven grams of fat per cup, depending on the milk used. Still, a cup of whole-milk yogurt with seven grams of fat has considerably less fat than does the sour cream, mayonnaise or heavy cream it is often used to replace (see chart).

How can it be used?

Although cooks in India have long appreciated yogurt's diversity—incorporating it into rice dishes, sauces, soups, salads, tomato gravy and lassi, a yogurt-based drink—American chefs are only beginning to recognize yogurt as a legitimate ingredient. "I use quite a bit of yogurt when creating dishes for the restaurant," says Richard Perry, chef/owner of Richard Perry Restaurant in St. Louis, Missouri. "Its flavor and consistency give a quality to foods not found with other dairy products." His restaurant's menu often features traditional tomato bouillon, with a yogurt-swirl flourish; or appetizers of sweet potato ravioli stuffed with duck meat, yogurt and goat cheese and roast pork tenderloin with a savory sauce that contrasts pears with blue cheese and plain yogurt.

The Denver Salad Company in Denver specializes in homemade soups, deli sandwiches, topped baked potatoes and a 70-item salad bar. Owner Ed Morton uses plain yogurt in salad dressings and sandwiches instead of mayonnaise. "Our reduced-calorie ranch dressing, made with plain yogurt, is our third-most-popular salad dressing (out of 11 varieties)," he says. Morton also offers a Dijon yogurt topping for baked potatoes at a considerable calorie and fat savings over sour cream.

Tom McGlone, general manager and executive chef of Hogan's, a 250-seat casual-dining restaurant in Troy, Michigan, makes a yogurt dill dressing that he serves with broiled fish. "It's a great replacement for tartar sauce," he boasts. McGlone has recently added two desserts to the menu that he prepares with frozen yogurt. His torte Suzette uses strawberry and vanilla yogurt, and his torte Miguel calls for chocolate yogurt laced with nuts and carob.

Executive chef Tracy Pikhart Ritter of the Golden Door, an exclusive health spa in Escondido, California, considers yogurt an excellent medium with which to work. "It acts as an emulsifier in dressings, sauces and marinades. Yogurt's tart taste works well with vinegar and citrus flavors, so it's good for dressings and cream-based desserts. Plus it's low in fat, calories and cholesterol."

Substitute and save

An easy way to cut back on calories, fat and cholesterol is to replace such high-fat ingredients as sour cream

STRAWBERRY DREAM CAKE

Makes 48 servings

Ingredients:
4¼ cups unsifted cake flour
3 cups sugar
2 tspns. baking soda
2 tspns. baking powder
1 cup margarine, softened
2 cups vanilla yogurt
8 large (1 cup) egg whites

Topping:
3 quarts vanilla yogurt
3 quarts sliced fresh strawberries

Method:

In 12-quart mixer bowl, combine dry ingredients.

Add margarine and yogurt.

Beat on low speed just until ingredients are moistened; beat on medium speed 2 minutes.

Add egg whites.

Beat on medium speed an additional 2 minutes.

Pour batter into well-greased and floured baking pan (15 x 13 x 3-inches).

Bake at 350° F. for 30 to 35 minutes or until tests done. (Adjust oven temperature and bake time for convection oven.)

Serve slightly warm or at room temperature with ¼ cup vanilla yogurt and ¼ cup sliced strawberries per serving.

—Recipe courtesy of The Dannon Yogurt Co., Inc.

HOT CHICKEN & PASTA TOSS

Makes 24 servings

Ingredients:
3 lbs. rotini, uncooked
1½ cups margarine, softened
4 cups plain yogurt
6 cups diced, cooked chicken
2½ cups shredded carrot
1½ cups grated Parmesan cheese
6 Tbs. chopped, fresh parsley
1½ cups sliced almonds

Method:

Cook rotini according to package directions.

Drain well; return to warm kettle.

Add margarine; toss until melted.

Add yogurt, chicken, carrot, Parmesan cheese and parsley.

Toss until pasta is coated.

Sprinkle with almonds just before serving (1 Tbs. per serving).

PASTA SIDE DISH: Omit chicken from recipe above; prepare recipe as directed. 36 servings.

—Recipe courtesy of The Dannon Yogurt Co., Inc.

Nutritive values of yogurt and comparable ingredients

One cup (8 oz.)	Calories	Protein grams	Fat grams	Cholesterol milligrams
Plain yogurt made from:				
☐ skim milk*	127	13	0.5	4
☐ low fat* milk	144	12	3.5	14
☐ whole milk	139	8	7.0	29
Cottage cheese, low fat	203	31	4.0	19
Cream cheese	792	17	79.0	248
Heavy cream	821	5	88.0	326
Mayonnaise	1,577	2	175.0	130
Sour cream	493	7	48.0	102
Frozen yogurt**	297	9	4.5	23
Ice cream				
☐ hard, regular 10% fat	269	5	14.0	59
☐ premium 16% fat	349	4	24.0	88
☐ soft-serve (French vanilla)	377	7	23.0	153

**Contains added nonfat milk solids*
***Manufacturer's data (Columbo)*

SOURCE: USDA

ORANGE MUSTARD DRESSING

Yields 1½ cups

Ingredients:
8 ounces nonfat plain yogurt
1 Tbs. capers
2 Tbs. grainy-style mustard
1 Tbs. Dijon mustard
½ tspn. turmeric
2 Tbs. orange zest
2 Tbs. fresh orange juice

Method:
Place all ingredients in a food processor and blend until creamy.

Excellent with vegetables, fish and chicken.

Can be heated by placing in a double boiler.

—Recipe courtesy of Tracy Pikhart Ritter, The Golden Door

and mayonnaise with yogurt. Use plain yogurt in place of all or half of the sour cream when making:

☐ dips for fruits and vegetables,
☐ sauces for meat, fish and poultry,
☐ Mexican foods such as tacos, enchiladas and tostadas,
☐ topping for cereal, pancakes and waffles,
☐ gravy and sauce-based entrees, such as Swedish meatballs and tuna casserole,
☐ beef stroganoff,
☐ topping for twice-baked potatoes and
☐ dessert toppings and fillings.

In place of all or half of the mayonnaise, use plain yogurt when preparing:

☐ creamy salad dressings,
☐ main-dish, fruit and vegetable salads and
☐ sandwich fillings.

Yogurt's versatility extends beyond its use in recipes. Served alone or with accompanying items, yogurt adds variety to your menu throughout the day.

—Claire Regan, R.D.

Health insurance costs are up dramatically

Restaurant companies have been faced with dramatic increases in the cost of employee health insurance, according to a recent National Restaurant Association survey. The survey, conducted in August 1989, follows up with the same respondents who participated in a 1987 survey on industry health insurance, which was summarized in the August 1988 issue of ***Restaurants USA.***

The cost for the employer's share of premiums for individual coverage of hourly employees rose a minimum of 23 percent between 1987 and 1989. And some operators experienced increases averaging 60 percent over that two-year period.

In addition to bearing the cost of increased premiums, more companies are finding it necessary to require hourly employees to shoulder some of the financial load for their health insurance coverage. For instance, the proportion of companies in the $500,000 to $999,999 sales class that required no premium contribution from hourly employees declined from more than one-half in 1985 to around one-quarter this year. Generally, the employee's contribution to premiums has more than doubled in four years.

Similar findings apply to salaried employees. Although the majority of foodservice employers still provide individual health insurance coverage free of cost to salaried employees, the employer's contribution to premiums averaged 50 percent higher in four years.

How restaurateurs are coping

Some of the changes made in health-insurance plans since 1987 give an indication of how restaurant employers are dealing with increased costs. Across each of the sales-volume categories, nearly twice as many said there has been a decrease rather than an increase in benefits provided. For those with annual sales of less than $500,000, the proportion reporting a decrease in benefits was 22 percent, versus 14 percent reporting an increase.

Even more commonplace has been an increase in deductibles. Although one-quarter of respondents who have annual sales of less than $500,000 reported increasing deductibles, the figure rose to about six in 10 for those with annual sales exceeding $5 million.

Percent of foodservice employers providing health insurance coverage for hourly and salaried employees by type of plan and company-sales volume, 1989

As sales volume increases, the likelihood of providing coverage for both hourly and salaried employees increases

	Annual company sales				
Type of coverage	**Less than $500,000**	**$500,000-$999,999**	**$1 million-$4.9 million**	**$5 million-$9.9 million**	**$10 million and more**
Hourly employees only	4%	5%	1%	0%	0%
Salaried employees only	15	18	18	21	13
Hourly and salaried employees	30	60	72	75	87
No plan	51	17	9	4	0
	100%	**100%**	**100%**	**100%**	**100%**

Source: *National Restaurant Association Health Benefits Survey*

Still, health insurance is prohibitively expensive for many small employers, approximately half of whom provide health insurance coverage for neither hourly nor salaried employees.

As the accompanying table demonstrates, the likelihood of providing coverage for both hourly and salaried employees rises as sales volume increases. Few respondents with sales of $1 million or more provide no coverage.

Companies with no insurance

Among restaurant companies that provide no health insurance to employees, the most common reasons cited for not doing so are the cost and lack of need among employees. Among small restaurant companies with annual sales of less than $500,000 that do not provide health coverage, the most common reason, cited by almost three-fourths of the respondents, is that the premiums are too high. The second-ranking reason mentioned by nearly two-thirds of this group is that their company is not profitable enough.

Regarding lack of employee need, nearly six out of 10 small operators reported that employees are covered under a spouse's or parent's health insurance plan. Although many employers do not know whether their employees have access to health insurance elsewhere, those in small firms who do know reported that nearly one-half of their hourly employees have health coverage through another source.

Despite the fact that their employees are frequently covered elsewhere, many small restaurant companies said that they would consider providing health insurance in the future if it were possible to overcome the barriers that prevent them from doing so now. A decrease in the cost of insurance, coupled with less stringent coverage requirements, would make it more possible for small foodservice companies to offer health insurance.

More than eight in 10 small companies said the following conditions would encourage them to consider providing health insurance:

☐ lower insurance rates,

☐ a more profitable business and

☐ no minimum coverage rates.

—*Susan Mills*

Dependent-care leave is becoming commonplace

Flexible work schedules, which are especially important to those with family responsibilities, are frequently offered in restaurant companies. The survey revealed that most employers provide flexible work schedules for salaried and hourly employees. Among employers with sales of less than $1 million, about six in 10 provide flexible work schedules to salaried employees and eight in 10 do so for hourly workers.

Even more important to those who are family-care givers, nearly all employers report that they allow employees time off to care for a sick parent or child. Although few have a formal policy for such leave, approximately nine out of 10 restaurant employers allow employees to take this time off. This is generous in comparison to availability of time off for dependent care in other industries.

CREST report—1989 summer quarter

After a weak spring quarter, which included a 1.9 percent decline in customer traffic, industry traffic advanced in the summer. Overall traffic was up 2.0 percent from summer 1988 levels.

Upscale restaurants, the only group to post positive growth in the spring, again showed the highest growth among industry segments, with an 8.4 percent rise in customer counts. Midscale restaurants showed their first positive quarterly traffic growth since winter 1988; traffic advanced a robust 4.1 percent. Quickservice restaurants, which suffered a 2.2 percent decline in traffic in the spring, recovered to post a 0.6 percent gain in summer customer counts.

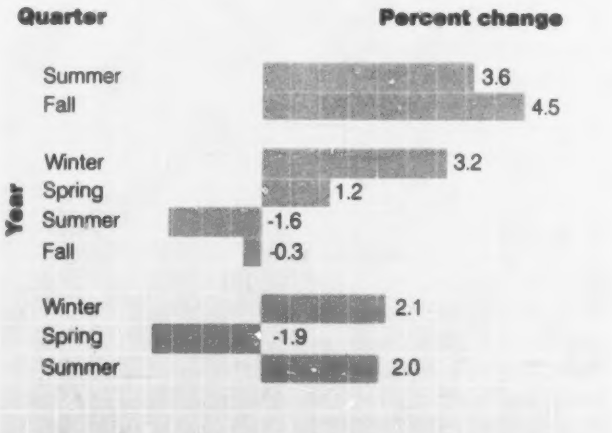
After traffic declines in the spring, both on and off-premises traffic showed traffic growth in the summer. On-premises traffic, which had not posted quarterly growth since fall 1987, increased 0.5 percent overall and 9.0 percent at upscale restaurants and 2.0 percent at midscale restaurants. On-premises traffic at quickservice restaurants declined 1.7 percent.

Off-premises traffic advanced 3.8 percent for the industry. Midscale (up 27.1 percent) and quickservice (up 2.1 percent) restaurants both posted growth in off-premises customer counts. However, off-premises traffic declined 0.8 percent at upscale eateries.

Among the three meal periods, only breakfast

Percent change* in quarterly traffic summer 1987–summer 1989

Restaurant traffic in summer 1989 advanced 2.0 percent over summer 1988



**Percent change is over same quarter, previous year*

***Source:** NPD CREST Household Reports, summer 1987–summer 1989* showed consistent traffic declines. Total breakfast traffic dropped 1.3 percent, as off-premises breakfast traffic fell 2.2 percent and on-premises breakfast traffic declined 0.9 percent. Overall lunch traffic advanced 2.3 percent, with a 7.0 percent growth in off-premises lunch traffic offsetting a 0.7 percent loss in on-premises lunch customer counts. Dinner showed consistent traffic growth—advancing 3.2 percent overall and posting 1.6 percent and 4.9 percent increases, respectively, in on-premises and off-premises traffic.

Deal usage soared ahead of last summer's level. Promotions were used on 18.0 percent of all occasions in summer 1989—well ahead of the 16.5 percent level in summer 1988. Quickservice establishments used more promotions than any other segments. Deals were used on 20.3 percent of quickservice occasions. Promotions were used on 13.4 percent of all midscale occasions and 12.5 percent of all upscale occasions. Deal usage was 2.0 percent higher at quickservice restaurants, 0.3 percent higher at midscale restaurants and 0.3 percent lower at upscale establishments than it was last summer.

The average per-person check advanced 5.6 percent—from $3.54 in the 1988 summer quarter to $3.74 in the 1989 summer quarter. Quickservice restaurants recorded the largest gain in per-person check size—up 5.7 percent to $2.76. The average check advanced 4.8 percent to $4.63 per person at midscale restaurants. Upscale restaurants showed the smallest growth in per-person check size—up 1.7 percent to $9.42.

A review of employee turnover rates for 1988

For the fourth consecutive year, the National Restaurant Association, in conjunction with the accounting firm of Laventhol & Horwath, has compiled data on employee turnover rates from its annual restaurant industry operations survey.

In the survey conducted early this year for the *1989 Restaurant Industry Operations Report*, operators were asked to specify how many W-2 forms their restaurant distributed in 1988. The number of W-2 forms provides a measure of the total number of individuals who worked at these establishments at some time during 1988. The turnover rate is calculated by dividing the median number of W-2s by the median number of employees.

Fast food turnover rate advances

For 1988, full-menu tableservice establishments reported a turnover rate of 2.2—the same rate as in 1987. Limited-menu tableservice operators posted a 1988 turnover rate of 2.3—up slightly from 2.2 in 1987.

In contrast, the turnover rate for limited-menu, no-tableservice (fast food) establishments rose from 2.5 in 1987 to 2.8 in 1988. Sandwich/hamburger restaurant operators recorded a turnover rate of 2.2—the lowest in the category—while chicken restaurants had the highest rate for this group at more than 4.

In the full-menu tableservice category, Italian restaurants reported the lowest employee turnover rate—2.0—while Continental establishments had the highest turnover rate at 2.4. In the limited-menu tableservice group, American theme restaurants reported the lowest turnover rate at 1.7.

Turnover by sales volume and profit

☐ Turnover was lower among restaurants that posted a net profit in 1988,

1988 employee turnover rates

Type of establishment	Median number of employees	Median number of W-2s	Turnover rate
Full-menu tableservice	43	95	2.2
Sales volume			
☐ Less than $500,000	22	42	1.9
☐ $500,000-$999,999	33	75	2.3
☐ $1,000,000-$1,999,999	55	120	2.2
☐ $2,000,000 and over	91	200	2.2
Profit			
☐ Net profit	43	94	2.2
☐ Net loss	32	75	2.3
Limited-menu, no tableservice	20	57	2.8
Sales volume			
☐ Less than $400,000	13	30	2.3
☐ $400,000-$749,999	17	50	2.9
☐ $750,000 and over	28	122	4.4
Profit			
☐ Net profit	21	58	2.8
☐ Net loss	20	72	3.6
Limited-menu tableservice	23	53	2.3
Sales volume			
☐ Less than $350,000	16	30	1.9
☐ $350,000-$699,999	21	58	2.8
☐ $700,000 and over	45	110	2.4
Profit			
☐ Net profit	21	46	2.2
☐ Net loss	23	53	2.3

Source: National Restaurant Association 1989 restaurant industry operations survey

Full and part-time employees,* 1988

Type of establishment	Full-time employees	Part-time employees (20 to 35 hrs.)**	Part-time employees (less than 20 hrs.)**
Full-menu tableservice	13	12	8
Sales volume			
☐ Less than $500,000	10	9	5
☐ $500,000-$999,999	11	10	9
☐ $1,000,000-$1,999,999	19	20	14
☐ $2,000,000 and over	40	30	20
Limited-menu, no tableservice	5	9	9
Sales volume			
☐ Less than $400,000	3	6	7
☐ $400,000-$749,999	4	9	8
☐ $750,000 and over	8	10	12
Limited-menu tableservice	7	9	6
Sales volume			
☐ Less than $350,000	5	6	5
☐ $350,000-$699,999	9	9	6
☐ $700,000 and over	13	20	10

**medians*
***per week*
Source: National Restaurant Association *Restaurant Industry Operations Report—1989*

especially among limited-menu, no-tableservice survey participants. Fast food establishments recording a net profit had a turnover rate of 2.8, compared to 3.6 for those incurring a net loss.

☐ Within each restaurant category (full-menu tableservice, limited-menu tableservice and limited-menu, no-tableservice), establishments in the lowest sales-volume category had the lowest turnover rates. For example, full-menu tableservice establishments with annual sales of less than $500,000 recorded a turnover rate of 1.9, compared to a higher rate of 2.2 among establishments with annual sales of $2 million or more. Among fast food establishments, those with annual sales of less than $400,000 posted a turnover rate of 2.3, compared to a rate in excess of 4 at establishments with annual sales of $750,000 or more.

☐ Turnover is generally less when the ratio of part-time to total employees is relatively low. For example, at full-menu tableservice establishments, part-time employees accounted for almost 61 percent of all workers; whereas among limited-menu, no-tableservice survey participants, part-time workers accounted for a larger 78 percent of the workforce. Compared with the 1987 data, the actual number of part-time workers declined at full-menu tableservice establishments in 1988, but increased at limited-menu, no-tableservice operations.

—Hudson Riehle

Slowdown in breakfast traffic continues

Takeout and weekends are the brightest spots in the declining breakfast market.

Breakfast traffic posted its last strong gain in 1985. Since then traffic has declined—down 2 percent from 1985 to 1988. Moreover, the downward trend in breakfast traffic picked up momentum in the first half of 1989, dropping 3 percent when compared to the same time period in 1988.

Generally, quickservice restaurants—where takeout is most common—have fared better than their midscale and upscale counterparts. Breakfast traffic was up by nearly 2 percent at quickservice places in both 1987 and 1988, but upscale and midscale places have not enjoyed any significant traffic growth in the past four years.

The share of total customers making a restaurant visit at breakfast peaked at 10 percent in 1988. Last year, the breakfast share was just above 9 percent—the lowest point since 1983.

Following the breakfast trend, morning snacks have decreased in popularity over the past several years. Traffic peaked in 1986 and decreased by almost 12 percent between that year and 1988. Morning snack traffic represented a 2 percent share of total customer traffic in 1988.

Percent change in breakfast traffic by day of the week

Monday shows the only gain in breakfast traffic

Day of the week	Percent change in breakfast traffic		
	1986	1987	1988
Monday	−7.0	*	7.2
Tuesday	−4.6	1.8	−2.7
Wednesday	−1.0	−0.9	−2.6
Thursday	−5.3	−4.5	*
Friday	−6.4	*	−3.2
Saturday	1.9	1.8	−1.7
Sunday	3.2	*	−0.4

**represents no change*
Note: *Percent change is over the prior year*
Source: *NPD/CREST Annual Household Reports, 1986–1988*

Quickservice captured majority of traffic

As more quickservice restaurants entered the breakfast arena, their share of breakfast traffic rose dramatically—up from 46 percent in 1982 to 57 percent in 1988. In contrast, midscale restaurants, traditionally the breakfast stronghold, lost traffic—

Annual percent change in breakfast traffic, 1984–1988

Industry breakfast traffic declined in all segments except quickservice

	Traffic				
Segment	**1985**	**1986**	**1987**	**1988**	**1984-1988**
Total industry	7.4	−1.9	0.3	−0.6	5.0
Quickservice	18.3	−0.1	1.6	1.8	22.3
Midscale	−2.0	−4.4	0.5	−5.6	−11.1
Upscale	−4.8	−1.2	−7.5	−1.4	−14.2

Share of breakfast traffic

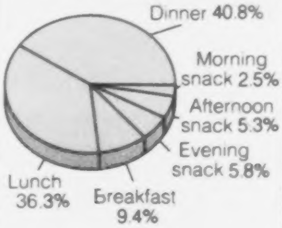
Quickservice captures most of the breakfast traffic

Segment	**1982**	**1985**	**1988**
Quickservice	46%	53%	57%
Midscale	48	41	38
Upscale	6	6	5

Source: *NPD/CREST Annual Household Reports, 1982-1988*

Restaurant traffic by occasion, 1988

Breakfast captured less than a 10 percent share of restaurant traffic



Source: *NPD CREST Annual Household Report, 1988*

down from 48 percent in 1982 to 38 percent in 1988. The upscale share of the breakfast market declined by one percentage point to 5 percent in 1988.

Hamburger places are by far the most popular spot for breakfast and morning snacks, capturing about three out of 10 breakfast visits. Other restaurants that are especially well represented in the breakfast market include midscale, varied-menu restaurants and donut places.

Breakfasts remain popular

Weekends captured 44 percent of all breakfast traffic in 1988, up from 41 percent in 1982. Sunday is the most popular day of the week to eat breakfast in restaurants. More than one-fifth (22 percent) of all breakfast eater occasions* occurred on Sunday, compared to only 15 percent for all meals. Until recently, weekend customer counts have held up better than weekday counts, perhaps due to the spread of weekend breakfast bars.

Takeout traffic has increased

Although breakfast is more likely than other meals to be eaten on premises, it is the off-premises breakfast business that had been increasing until the first half of this year, when it declined by nearly 2 percent. Takeout breakfast traffic jumped 56 percent between 1982 and 1988 and was up 8 percent between 1987 and 1988—despite the overall breakfast slowdown. Breakfast takeout has been especially strong in quickservice restaurants, on weekends and among singles, Yuppies and 25 to 34-year-olds.**

Sales of frozen breakfast entrees at grocery stores advance

The percentage of frozen breakfast entrees sold in grocery stores has skyrocketed. According to the *Supermarket Business* consumer-expenditure studies, grocery-store frozen-breakfast entree sales grew by 17 percent between 1987 and 1988 to $546.3 million, compared to only a 4 percent increase for all frozen foods.

—Elizabeth Gordon

Focus on eggs

☐ More than eight out of 10 egg orders (81 percent) occurred at breakfast, 13 percent occurred at lunch, 5 percent at dinner and the remainder occurred as snacks, usually in the morning.

☐ Eggs are popular with higher-income families; 38 percent of restaurant egg eaters had an annual household income in excess of $40,000, although those individuals represented only 25 percent of all restaurant visits.

☐ Eggs are ordered more by males than by females (54 percent).

☐ The majority of egg eaters are 35 years old or older. Eggs are especially popular with 50 to 64-year-olds. They represented 28 percent of all egg orders, compared to only 15 percent of all restaurant traffic.

Source: National Restaurant Association CREST study, 1988.

Breakfast at a glance

☐ Breakfast is usually an "adults only" meal; 86 percent of breakfast parties are adults (compared to 79 for the overall industry).

☐ Fifty-one percent of breakfast eater occasions in 1988 were by patrons between the ages of 35 and 64. This age group represented only 43 percent of all restaurant visits.

☐ Breakfast posts the lowest average check size of all meals at $2.42.

☐ Average party size is comparatively small at breakfast—1.7 persons per breakfast meal. This reflects the fact that a large number of breakfast purchases are for only one person.

☐ Breakfast entrees are slightly more popular with men (52 percent).

☐ The five most popular breakfast foods in 1988 were:

- Eggs—46 percent of all eater occasions,
- Breakfast sandwiches (including biscuit sandwiches, English muffin sandwiches and other)—31 percent,
- Pancakes/waffles—19 percent,
- Sausage—19 percent and
- Bacon—16 percent.

☐ Regular coffee orders in restaurants decreased 26 percent between 1984 and 1988, while decaffeinated coffee orders rose 50 percent during that same time period.

Source: NPD/CREST Annual Report, 1988 and National Restaurant Association CREST study.

**An eater occasion is one meal or snack eaten by one person; a restaurant occasion is a transaction that includes one or more diners.*

For more information on breakfast takeout, please refer to the January 1989* ***Restaurants USA *article.*

Highlights from the 1987 Census of Retail Trade

Since 1967, the U.S. Department of Commerce has conducted the Census of Retail Trade at five-year intervals as a means of monitoring the retail-trade industry, including eating and drinking places (SIC 58). This article presents the eating and drinking places data from the 1987 Census of Retail Trade, *including information on unit growth, sales and employment.*

Top 10 metropolitan areas in number of eating places, 1987

Rank		Number of eating-place establishments
1	Los Angeles-Long Beach, CA**	11,451
2	New York, NY**	11,141
3	Chicago, IL**	8,092
4	Philadelphia, PA-NJ**	5,624
5	Detroit, MI**	5,224
6	Washington, DC-MD-VA*	5,056
7	Boston, MA**	4,278
8	Atlanta, GA*	4,085
9	Houston, TX**	3,920
10	Nassau-Suffolk, NY**	3,878

**MSA = metropolitan statistical area, an integrated economic and social unit with a population of at least 50,000*

***PMSA = primary metropolitan statistical area, an integrated economic and social urban unit with a population of at least 1 million*

Source: *1987 Census of Retail Trade*

Retail trade reached $1.5 trillion in 1987—up from $1.0 trillion in 1982, according to the *1987 Census of Retail Trade.* Eating and drinking places accounted for 10 percent of that total, or $150 billion. This marks a 46.3 percent increase from the last Census of Retail Trade in 1982, when eating and drinking place sales were estimated to be $102 billion.

In addition, the number of eating and drinking places in the United States grew 11.2 percent between 1982 and 1987—from 351,794 units to 391,303 units. The number of paid employees at eating and drinking places likewise grew—advancing 30.7 percent from 4,665,830 in 1982 to 6,099,720 in 1987.

Because these data often show variations by region, state and metropolitan area, it is helpful to also examine industry data at each of those levels. The National Restaurant Association has compiled data from the *1987 Census of Retail Trade* for eating and drinking places, eating places, restaurants and lunchrooms, cafeterias, limited-menu (fast food) restaurants, other eating places (including social caterers, contract feeders and ice cream and frozen custard stands), and drinking places for all 50 states and nine census regions.* It has also compiled eating place and drinking place data for 353 Metropolitan and Primary Metropolitan Statistical Areas. This detailed look at the *1987 Census of Retail Trade* is available in a new National Restaurant Association publication (see sidebar).

Here are some highlights of the *1987 Census of Retail Trade:*

Eating and drinking places

☐ On a national level, eating and drinking places averaged $380,208 in sales per establishment in 1987, compared with $289,154 in 1982.

☐ On a regional basis, the East North Central states had the most eating and drinking places in 1987—71,228. The Pacific region came second with 62,675 establishments.

☐ The South Atlantic region accounted for $27.1 billion in eating and drinking place sales in 1987—the

But wait—there's more!

Which state ranks the highest in eating place sales per establishment? How many cafeteria employees are there in Texas? What percentage of sales goes to payroll at restaurants and lunchrooms in Minnesota? Which metropolitan area is home to the most eating places?

The answer to these and other questions about the *1987 Census of Retail Trade* can be found in a new association publication, *Eating and Drinking Place Figures.*

Also included are:

☐ state rankings by sales, number of employees and number of establishments for eating and drinking places,

☐ rankings of metropolitan areas in terms of eating place sales and number of establishments and

☐ detailed ratios of sales per unit, employees per unit, sales per employee, payroll and percent payroll of sales for all 50 states and the District of Columbia.

Copies of *Eating and Drinking Place Figures* (CS 949) are available to members for $25 and to nonmembers for $50. All orders must be prepaid.

You may order the publication by sending a check or money order to the National Restaurant Association Publications Department, 1200 Seventeenth St., N.W., Washington DC 20036.

Credit-card orders are accepted over the phone for orders of $10 or more. Call the association's Information Service and Library between 9 a.m. and 5 p.m. (Eastern Standard Time) at 1-800-424-5156 or (202) 331-5960 in Washington DC.

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*The nine geographic census regions are:
1) New England: Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island and Vermont
2) Middle Atlantic: New Jersey, New York and Pennsylvania
3) South Atlantic: Delaware, District of Columbia, Florida, Georgia, Maryland, North Carolina, South Carolina, Virginia and West Virginia
4) East North Central: Illinois, Indiana, Michigan, Ohio and Wisconsin
5) East South Central: Alabama, Kentucky, Mississippi and Tennessee
6) West North Central: Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota and South Dakota
7) West South Central: Arkansas, Louisiana, Oklahoma and Texas
8) Mountain: Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah and Wyoming
9) Pacific: Alaska, California, Hawaii, Oregon and Washington

Regional highlights from census of Retail Trade

Regional data	Establishments		Sales ($1,000)		Paid employees	
	1987	Percent change from 1982	1987	Percent change from 1982	1987	Percent change from 1982
NEW ENGLAND						
Eating & drinking places	23,273	14.0%	$ 9,249,899	56.0%	356,209	31.4%
Eating places	20,495	19.5	8,696,516	58.7	338,309	34.2
Restaurants & lunchrooms	10,419	16.9	5,063,151	56.1	200,588	29.8
Cafeterias	341	−9.1	73,989	40.2	2,797	18.4
Limited menu (fast food)	6,976	17.1	2,588,050	66.6	95,023	41.8
Other eating places	2,759	44.3	971,326	54.2	39,901	41.2
Drinking places	2,778	−14.7	553,383	23.1	17,900	−5.4
MIDDLE ATLANTIC						
Eating & drinking places	62,079	7.6%	$ 21,383,261	45.0%	784,198	27.2%
Eating places	50,155	16.4	19,684,848	50.1	736,256	30.8
Restaurants & lunchrooms	24,936	15.7	10,476,344	44.9	388,003	25.9
Cafeterias	950	29.8	312,988	69.8	10,210	28.7
Limited menu (fast food)	17,704	10.8	6,105,203	53.7	236,148	37.6
Other eating places	6,565	36.1	2,790,313	61.3	101,895	35.3
Drinking places	11,924	−18.5	1,698,413	4.3	47,942	−10.4
SOUTH ATLANTIC						
Eating & drinking places	61,723	23.9%	$ 27,061,906	65.8%	1,109,103	50.3%
Eating places	56,655	27.4	25,932,028	68.1	1,073,505	52.5
Restaurants & lunchrooms	25,454	24.8	11,715,113	65.5	498,664	45.1
Cafeterias	1,410	16.2	836,258	39.3	31,713	38.6
Limited menu (fast food)	24,359	23.3	11,290,477	71.1	461,922	60.2
Other eating places	5,432	76.0	2,090,180	81.5	81,206	65.4
Drinking places	5,068	−5.5	1,129,878	26.6	35,598	4.4
EAST NORTH CENTRAL						
Eating & drinking places	71,228	5.7%	$ 25,214,172	41.1%	1,104,002	27.1%
Eating places	55,487	11.8	23,097,371	44.8	1,031,941	29.5
Restaurants & lunchrooms	25,380	7.9	10,694,977	33.2	497,466	17.5
Cafeterias	959	6.0	443,445	31.7	19,350	21.4
Limited menu (fast food)	23,182	12.5	10,130,516	57.7	441,471	45.1
Other eating places	5,966	29.1	1,828,433	57.0	73,654	38.7
Drinking places	15,741	−11.3	2,116,801	10.7	72,061	−0.2
EAST SOUTH CENTRAL						
Eating & drinking places	18,144	13.3%	$ 7,102,526	56.4%	303,875	43.7%
Eating places	16,796	15.6	6,907,113	58.4	296,717	45.3
Restaurants & lunchrooms	6,540	8.6	2,390,161	45.2	110,309	32.7
Cafeterias	450	−0.9	227,553	20.6	8,667	11.9
Limited menu (fast food)	8,450	19.3	3,877,480	71.0	162,262	59.4
Other eating places	1,356	40.5	411,919	59.8	15,479	33.5
Drinking places	1,348	−9.7	195,413	6.9	7,158	−0.9

highest of any geographic region.

Eating places

□ The number of eating places in the United States grew 17.1 percent from 284,059 in 1982 to 332,611 in 1987, and sales increased 49.5 percent from $93.2 billion to $139.3 billion.

□ The state of New Hampshire posted the highest growth in eating place sales, advancing 82.0 percent from 1982 to 1987.

□ One-half of all eating places were located in the South Atlantic, East North Central and Pacific states in 1987. Combined, these three regions accounted for $74 billion or 53 percent of eating place sales in 1987.

□ In 1987 the Los Angeles-Long Beach California area (PMSA) led all metropolitan areas in the number of eating establishments (11,451), sales ($5.8 billion) and paid employees (210,211).

Restaurants and lunchrooms

□ Restaurant and lunchroom sales reached $66.4 billion in 1987—up 40.8 percent from 1982. In addition, almost half (47.6 percent) of eating place sales were from restaurants and lunchrooms.

□ The average sales per unit for restaurants and lunchrooms across the nation was $428,928 in 1987. Restaurants and lunchrooms in the Pacific ($485,903), New England ($485,954) and South Atlantic ($460,246) averaged higher than national unit sales.

□ Florida posted the highest growth rate in number of units of restaurants and lunchrooms. Between 1982 and 1987, the number of restaurants and lunchrooms in Florida increased by 32.4 percent.

Cafeterias

□ In 1987, cafeterias employed roughly 19 people per unit—the highest of any of the eating and drinking places categories.

□ Although the South Atlantic region had the most cafeterias (1,410), the Middle Atlantic region posted the highest growth in cafeteria units between 1982 and 1987—29.8 percent.

□ Cafeterias were most prominent in the South and on the West Coast. In 1987, more than half of the nation's cafeterias were located in South Atlantic, West South Central or Pacific states.

Regional highlights from Census of Retail Trade

Regional data	Establishments		Sales ($1,000)		Paid employees	
	1987	Percent change from 1982	1987	Percent change from 1982	1987	Percent change from 1982
WEST NORTH CENTRAL						
Eating & drinking places	30,909	3.4%	$ 9,823,236	40.2%	466,825	23.1%
Eating places	24,934	8.3	9,022,041	43.9	437,627	25.5
Restaurants & lunchrooms	11,946	4.5	4,068,484	29.3	211,664	11.9
Cafeterias	522	−0.8	257,841	39.2	11,338	18.4
Limited menu (fast food)	10,329	10.0	4,019,266	56.8	187,127	43.1
Other eating places	2,137	26.8	676,450	79.6	27,498	44.1
Drinking places	5,975	−12.9	801,195	9.2	29,198	−4.4
WEST SOUTH CENTRAL						
Eating & drinking places	38,056	9.4%	$ 14,308,425	28.7%	589,793	18.4%
Eating places	34,049	14.1	13,552,334	31.0	561,671	20.5
Restaurants & lunchrooms	13,517	10.4	5,163,092	22.1	227,939	10.4
Cafeterias*	1,165	15.5	868,353	32.7	27,317	17.2
Limited menu (fast food)	16,885	13.9	6,408,820	39.6	266,117	31.6
Other eating places*	2,482	40.7	1,016,293	24.7	36,375	15.0
Drinking places	4,007	−19.0	756,091	−2.7	28,122	−11.6
MOUNTAIN						
Eating & drinking places	23,216	11.6%	$ 8,154,908	37.3%	365,015	22.9%
Eating places	19,367	16.4	7,467,686	40.2	340,629	25.5
Restaurants & lunchrooms	9,447	12.6	3,633,667	25.5	170,299	9.7
Cafeterias**	376	1.9	242,450	43.8	9,009	12.4
Limited menu (fast food)	8,009	16.1	3,058,784	60.4	135,990	48.0
Other eating places**	1,535	56.0	455,98[illegible]	51.5	21,625	52.4
Drinking places	3,849	−7.7	687,222	11.7	24,386	−5.5
PACIFIC						
Eating & drinking places	62,675	14.1%	$ 26,478,164	45.1%	1,020,700	30.0%
Eating places	54,673	19.7	24,921,668	47.7	970,234	32.1
Restaurants & lunchrooms	27,082	18.9	13,159,216	36.6	517,257	21.0
Cafeterias	1,124	6.3	449,293	34.2	15,127	11.6
Limited menu (fast food)	22,210	16.2	9,391,287	61.8	366,158	45.1
Other eating places	4,257	56.4	1,921,872	73.9	71,692	73.9
Drinking places	8,002	−13.8	1,556,496	13.3	50,466	−0.8
TOTAL US						
Eating & drinking places	391,303	11.2%	$148,776,497	46.3%	6,099,720	30.7%
Eating places	332,611	17.1	139,281,605	49.5	5,786,889	33.3
Restaurants & lunchrooms	154,721	14.4	66,364,205	40.8	2,822,189	23.2
Cafeterias	7,297	9.9	3,778,078	37.8	138,380	22.5
Limited menu (fast food)	138,104	15.4	56,869,883	59.4	2,352,218	46.1
Other eating places	32,489	44.0	12,269,439	61.3	474,102	45.2
Drinking places	58,692	−13.4	9,494,892	10.9	312,831	−3.7

* *Note that West South Central region data for cafeterias and other eating places does not include information from Arkansas*

** *Note that Mountain region data for cafeterias and other eating places does not include information from Nevada*

Source: *Census of Retail Trade, 1987*

☐ Cafeterias in the West South Central region boasted the highest sales in the United States—accounting for $868.4 million, almost one-fourth (23 percent) of the category's total sales volume in 1987.

Limited-menu (fast food)

☐ More than four out of 10 eating places (42 percent) in the United States in 1987 were fast food establishments.

☐ The proportion of eating place sales from fast food establishments increased from 38 percent in 1982 to 41 percent in 1987.

☐ In 1987 the South Atlantic region had the most fast food units (24,359), the most growth in units (23.3 percent) and the highest sales ($11.3 billion).

☐ California had more fast food sales than any other state—$7.2 billion.

☐ On a national level, limited-menu establishments posted a 46.1 percent increase in the number of paid employees between 1982 and 1987—the largest increase of any eating and drinking place category.

Other eating places (including social caterers, ice cream and frozen custard stands and contract feeders)

☐ Other eating places showed high growth in both units and sales between 1982 and 1987. In that five-year span, the number of these establishments grew 44 percent, and sales increased 61.3 percent.

☐ The Middle Atlantic region was tops in units (6,565), sales ($2.8 billion) and number of paid employees (101,895) for this restaurant category.

☐ The average unit had sales of $377,649 in 1987, but units in the Pacific ($451,462), Middle Atlantic ($425,029), West South Central ($409,465) and South Atlantic ($384,790) posted better-than-national average sales.

Drinking places

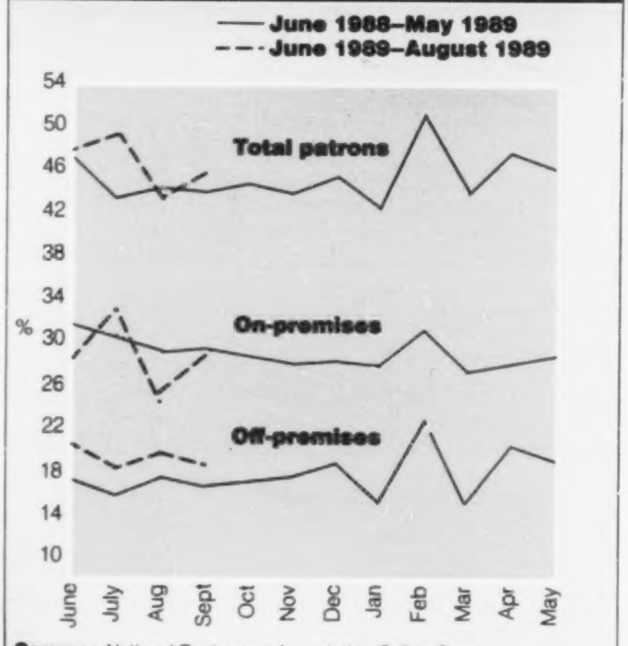
☐ Despite witnessing a sharp decline in the number of units nationwide (down 13.4 percent from 1982), sales from drinking places were 10.9 percent higher in 1987.

☐ Drinking places had the fewest employees per establishment (5.3 people) of retail foodservice establishments on a nationwide basis. Drinking places in the South Atlantic and West South Central regions employed the most people per unit—7.0 persons, while those in the Middle Atlantic states employed the fewest—4.0 persons.

—Nancy Michalski

Foodservice Market Measure—Sept. 1989

Percent of adults who were foodservice patrons on a typical day



Source: National Restaurant Association Gallup Survey

The Foodservice Market Measure regained some ground in September, compared to its disappointing August showing. This upswing suggests that the August setback was most likely related to a short-term cash shortage among the many consumers who took advantage of automobile bargains. However, the small August-to-September increase in patronage was not a significant one. Forty-five percent of adults reported they were foodservice patrons on a typical day in September, versus 43 percent in August. Comparatively speaking, 44 percent of adults reported they were patrons in both August and September 1988.

For on-premises patronage there was a significant 5 percent increase in the proportion of adults who ate in a restaurant—from 24 percent in August to 29 percent in September. This gain can be attributed to increases in breakfast or dinner patronage, but lunch patronage—both on and off premises—was virtually unchanged.

Percent of adults who were foodservice patrons on a typical day

Meal period	September 1988	August 1989	September 1989
Breakfast	5%	3%	5%
Lunch	21	19	20
Dinner	21	21	22
Snack	3	3	5
Total	**44%**	**43%**	**45%**

Source: National Restaurant Association Gallup Survey

Because in recent months the Market Measure has been relatively volatile, it is useful to look at cumulative numbers to see where the industry stands at summer's end. For the four-month period from June through September, the percent of adults who were foodservice patrons on a typical day was up about 4 percent this year compared to last. However, all of the increase in this measure is due to a 14 percent gain in off-premises or takeout patronage. Conversely, those who were on-premises patrons from June through September actually declined by nearly 6 percent.

The story for adult customer traffic is less upbeat. During the four-month period, customer traffic was virtually unchanged from 1988 to 1989. Off-premises traffic increased, but on-premises traffic was down at each of the three meal periods.

Patronage for snacks may be on the upswing, however. Nearly 5 percent of adults reported purchasing a snack from a foodservice outlet this September—the highest figure reached since the Market Measure started in June 1988. Furthermore, snack patronage was up 16 percent in the June-September period this year versus one year earlier.

—Susan Mills

Just a fraction of what we spend on entertainment could be music to someone's ears.
Give Five.

Foodservice Market Measure

The Foodservice Market Measure is based on 1,000 telephone interviews, conducted by the Gallup Organization each month, with a nationally representative sample of adults age 18 and older. Each person is asked the same questions:

1. Which of the following did you do yesterday?

☐ Ate on the premises of a restaurant, fast food place, cafeteria or any other place where you purchased a meal or snack,

☐ Purchased takeout food "to go" or had it delivered.

2. Was the food you ate on premises yesterday for breakfast, lunch, dinner or a snack?

3. Was the takeout food you purchased or had delivered for breakfast, lunch, dinner or a snack?

The monthly tracking of purchases is supplemented by quarterly inquiries on topics of industry interest.

1 NEW ENGLAND

Location: Bath, ME
Association members: Nicholas and David Sewall
Operation: Montsweag Farm Restaurant
Profile: Fullservice restaurant
In business: 35 years
Seats: 225
Meals served: Lunch, dinner

Paths through gardens, a pond and a waterfall reflect this restaurant's past life as a nursery. The property had also been an apple orchard, and apple trees still grow behind the restaurant. In fact, the restaurant is housed in the converted barn where the apples were once stored. Because of its accessibility to Route 1, many tourists stop by. The restaurant also does a good business with locals—especially on winter Sundays when they come to enjoy the $5.95 roast-beef dinner.

Restaurant accountant **Dixie Hamrick** reports business is off this year in all of Maine. Competition is especially keen, and finding help is such a problem that many restaurants have had to increase their prices to keep up with wage demands.

2 MID-ATLANTIC

Location: Buffalo, NY
Association members: Frank and Mario Cipriani, Mike Hruschak
Operation: Garcia's Irish Pub
Profile: Sports bar/restaurant
In business: 6 years
Seats: 500
Meals served: Lunch, dinner

Garcia's Irish Pub is named after Sean Garcia, the adventuresome son of an Irish mother and a Spanish sea captain. The restaurant's menu says he settled down in Buffalo, after his search for fortune and glory took him to the four corners of the globe.

This sports bar/restaurant is near both the home of the city's hockey team and the new baseball stadium. On hockey nights, says manager **Mike Hruschak,** the pub averages more than 300 customers. And since the stadium was completed two summers ago, business is up 50 percent.

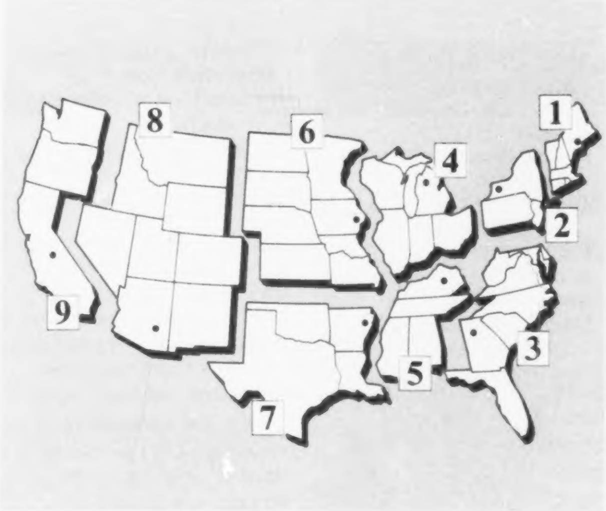
Garcia's occupies three floors of a converted five-story warehouse with public dining rooms, private party rooms and bars.

The main-floor dining room has a varied menu featuring regional favorites such as Buffalo wings, New York cheesecake and smothered steak. For TV sports fans, there are appetizers such as the beer-battered deep-fried zucchini.

3 SOUTH ATLANTIC

Location: Atlanta, GA
Association members: William Swearingen, George Gore, Laura Rozalsky
Operation: The Abbey
Profile: Fine-dining restaurant
In business: 20 years
Seats: 300
Meals served: Lunch, dinner

The Abbey's steeple, 60-foot stained-glass windows and high vaulted ceiling leave no doubt that the restaurant occupies what was once a church. Waiters in monks' robes and a harpist who strums in the choir loft help retain some of the ecclesiastic atmosphere.



The Abbey has won many awards for its extensive wine list and menu. All foods are made on premises, including the pastry, pasta and ice cream. An appetizer of lobster ravioli with sauterne sauce, an entree of breast of pheasant with sweetbreads in a Madeira sauce with truffles, and a chocolate cognac fig torte with chocolate hazelnut glaze are examples of some of the dishes found on the continental menu.

The Wine Cellar, one of three areas set aside for private parties, holds up to 20 persons and is frequently the site of eight-course gourmet dinners.

Manager **Laura Rozalsky** reports summer is always a little slow at The Abbey, but prospects for the upcoming year look excellent because of the large number of conventions scheduled for Atlanta.

4 EAST NORTH CENTRAL

Location: Grayling, MI
Association members: Kathy Ashton, Margaret Budek
Operation: Spike's Keg O'Nails
Profile: Bar fare
In business: 60 years
Seats: 72
Meals served: Lunch, dinner

Spike retired some years ago, but the new owners have kept things much the same as they were in his day. Located two hours north of Saginaw, in an area known for its trout fishing, Spike's looks like a log cabin, with a rustic, cozy, dimly lit interior. Memorabilia include a photo of the Detroit Tigers and a framed autograph of Sparky Anderson, a stuffed Jackelope (a rabbit with horns) and a canoe paddle commemorating the canoe race held in the area every year.

The food is mostly bar fare—sandwiches and munchies—and the World Famous Spikeburger is the bar's signature item.

The bar is a popular stop for travelers heading to and from the resorts farther north. Many of them remark that when they were children their parents used to bring them there for hamburgers. "And now they're stopping with their children," notes owner **Kathy Ashton.** In spite of the area's fluctuating economy, "business has increased every year," she says.

5 EAST SOUTH CENTRAL

Location: Berea, KY
Association member: J. B. Morgan
Operation: Boone Tavern Restaurant
Profile: Hotel restaurant
In business: 82 years
Seats: 270
Meals served: Breakfast, lunch, dinner

Berea, 40 miles south of Lexington—where the mountains meet the Bluegrass—is called the crafts capital of Kentucky. But it is most famous as the home of Berea College, a private, non-denominational college dedicated to educating students from low-income families from the mountains of the southeastern United States.

The students are required to work 10 to 20 hours a week, mostly in college-sponsored industries. The Boone Tavern Restaurant, part of a small hotel, has a staff made up of 83 percent students, many of whom are also working toward a degree in the college's hotel and restaurant management program.

The white-tablecloth, fullservice restaurant promotes leisurely dining. The specialty is Southern food, with all breads, jellies, sauces and relishes made on premises.

Business is down a little, says general manager **J.B. Morgan.** He attributes the drop to the fact that the interstate that runs by the town is being rebuilt, and people who would normally stop on trips North and South are deterred by the construction.

6 WEST NORTH CENTRAL

Location: Davenport, IA
Association members: Gerald Liske, Lori Cawiezell
Operation: Chef's Hat
Profile: Midscale family restaurant
In business: 25 years
Seats: 180
Meals served: Lunch, dinner

Business in Davenport was hurt when some of its industrial plants closed, but townspeople are hopeful that new businesses will move in to replace them. Chef's Hat administrative executive **Lori Cawiezell** reports business at the restaurant was helped by remodeling, but still isn't up to former days.

Cawiezell describes Chef's Hat decor as '80s, with brass chandeliers and stained and etched glass partitions.

Patrons especially enjoy the hot buffet—fish, ham, chicken, pizza and spaghetti, vegetables, dessert and a full salad bar, all for $4.20 at lunch, $5.50 at dinner.

7 WEST SOUTH CENTRAL

Location: West Memphis, AK
Association member: Linda Currie
Operation: Iron Skillet No. 11
Profile: Chain restaurant in truck stop
In business: 3 years
Seats: 178
Meals served: Breakfast, lunch, dinner

Iron Skillet No. 11, located in a truck stop between two interstates, attracts people driving to and from Arkansas and Tennessee. They come to West Memphis for dog races and across the Mississippi River to Memphis to visit Elvis Presley's estate, Graceland. "Business is terrific," says manager **Linda Currie,** who won an award from Petro Inc., the parent company, for the increase in sales.

Iron Skillet has an extensive 24-hour-a-day menu. "If it's not on the menu and I have it in house, I'll fix it," says Currie. There's a daily lunch special, an 18-item salad bar, a choice of sandwiches and a wide selection of made-on-premises desserts, such as strawberry pie—the specialty.

The three dining rooms are decorated with antique flea-market finds. One section, equipped with telephones, is primarily for truckers who want to conduct business or keep in touch with their families as they eat.

8 MOUNTAIN

Location: Tuscon, AZ
Association members: Hideo Kaiho, Laura Lohner
Operation: Tequila Mockingbird
Profile: Casual, Mexican-American restaurant
In business: 12 years
Seats: 140, 170 in the cantina
Meals served: Lunch, dinner

Tequila Mockingbird has a Mexican flavor, even though it's owned by a Japanese holding corporation. Mexican-American dishes are the main offerings, but the menu changes daily and may include Chinese food or ribs. At happy hour free munchies, such as small tacos and Mexican lasagna, are served in the cantina, along with the drink specials. Next door is a six-screen movie theater, and often drinks are tied in with the movies. For example, Joker's Juice, with green creme de menthe as the main ingredient, was a special when *Batman* was being screened.

Located in a small mall just east of the University of Arizona campus, in an old, well-established neighborhood, Tequila Mockingbird attracts shoppers for lunch and families and couples for dinner. Nearby are resort hotels and a park with a golf course. "Sales are up 10 to 15 percent over last year," says general manager **Laura Lohner.**

9 PACIFIC

Location: Madera, CA
Association members: Robert, Helen and Christopher Mariscotti
Operation: The Vineyard
Profile: Fullservice restaurant
In business: 12 years
Seats: 110
Meals served: Lunch, dinner, Sunday brunch

Madera is in a grape-growing region 20 miles north of Fresno. Most of the grapes are made into raisins, but the area also has three wineries. Of the wines made there, the best known is the port; during the Nixon years, Madera port was the only American wine served in the White House.

The Vineyard, made of brick and timbers, is intended to look like a European winery, but its tall tower causes some people to mistake it for a church. Inside is a high ceiling and more beams and brick.

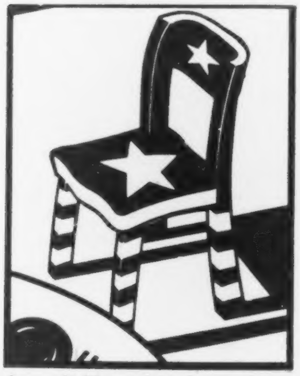
Meats at The Vineyard are grilled on a broiler that burns grape wood from the vineyards, giving the fish, steaks and chicken breasts a distinctive flavor. Desserts are made on premises and include pies, chocolate mousse, brownies and pineapple cake.

Business is improving, says owner **Robert Mariscotti.**

—*Julie Fintel*

Power seating

Presidential visits have boosted sales and prestige at restaurants in and around Washington DC since Bush took office in January. Bush, who is known for his impromptu public outings,



doesn't like a big fuss when he dines out, but the Rio Grande Cafe in Bethesda, Maryland, couldn't help but promote the fact that "President Bush ate here" after his July visit—and it found a unique way of doing it. The restaurant took the chair Bush sat in and painted it red, white and blue. Now the chair is rotated from table to table so customers can see it and—if they're lucky—eat their dinner in the power seat.

—The Washington Post Magazine

Two's the limit

There is a restaurant in Portland, Oregon, that is so exclusive that customers have to make their reservations up to a year in advance. It's not only the desire to sample the restaurant's excellent gourmet cuisine that is causing the backlog of customers, there is a slight space problem. The Table for Two restaurant is just that—a table for two—and owners Nancy Briggs and Juanita Crampton steadfastly refuse to add even one more chair, despite pleas to expand their operation.

Briggs and Crampton started the restaurant four years ago when they decided they needed feedback on the food they prepared for their catering business. The idea of opening a fullscale restaurant didn't appeal to them, so they compromised by opening what could be the world's smallest restaurant. At first, Table for Two served mostly friends and family, but a local restaurant critic came for lunch and proclaimed the food the best in town. Now the restaurant is booked months in advance.

Although they will take occasional requests, Briggs and Crampton prefer to create their own menus, and many of the dishes they serve are experimental. They simply ask customers what kinds of foods they will not eat and work around those items.

—Wall Street Journal

Soup for the "Soup" set

The cast and crew of the new TV comedy series "Chicken Soup" can spoon up inspiration from a weekly special delivery by the Carnegie Deli in Beverly Hills of—what else—chicken soup. Every Friday—the day the show is taped—the Carnegie delivers oversized cartons of the steaming brew to the studio for "medicinal purposes" and to wish the show, based on the life of a character created by Jewish comedian Jackie Mason, "matzo luck."

Carnegie Deli
SCRI

Judging from the healthy ratings the sitcom has received, the chicken soup may just be working.

—Solters, Roskin, Friedman Public Relations

Hyatt execs get "in touch"

It's not every day that a customer at the Hyatt Regency in Chicago can sit down at the bar and have the company president mix him or her a drink, but that's just what Hyatt Hotels Corporation President Darryl Hartley-Leonard was doing during the chain's first annual "In-Touch Day," held in September.

Hyatt launched the program in response to a company-sponsored survey of business travelers, who indicated that their biggest fear is poor service from hotels, airlines and car-rental companies. In an effort to combat this fear and to get a firsthand look at customers' needs, 375 of Hyatt's executives across the country worked as busboys, bellhops, doormen, maids and front-desk clerks for one day. "In-Touch Day" was an eye-opening experience the company is hoping will help communications between employees at the executive and front-line levels.

—The Washington Times

Thief finds "just desserts"

When the burglar made off with pastry chef Lindsey Shere's purse, he took a lot more than money and credit cards. What he stole was 18 years' worth of professional experience—her recipe collection.

Shere has been creating desserts and pastries for the famous Berkeley restaurant Chez Panisse since it opened in 1971. Through the years, Shere has accumulated hundreds of recipes—many of which are her own creation—in a loosely bound notebook, which she always kept in her purse for safekeeping. Shere has depended on the notebook for making cookies, cakes, pies, puff pastries, sherbets and icings—and she has never made a copy of the recipe collection since she is constantly updating it. Fortunately, some of the recipes had been copied by members of her staff for their own notebooks, but dozens will be lost forever.

Shere is offering a $500 reward for the return of the precious book, but there is little hope that the recipes will be recovered. She is already hard at work attempting to recreate some of the lost recipes—a task she considers "overwhelming," but not impossible.

—Chicago Tribune

OAT BRAN ■ **AMERICANS WITH DISABILITIES ACT** ■ **LEADERSHIP**

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THE MONTHLY MAGAZINE OF THE NATIONAL RESTAURANT ASSOCIATION VOL. 9 NO. 11 DECEMBER 1989

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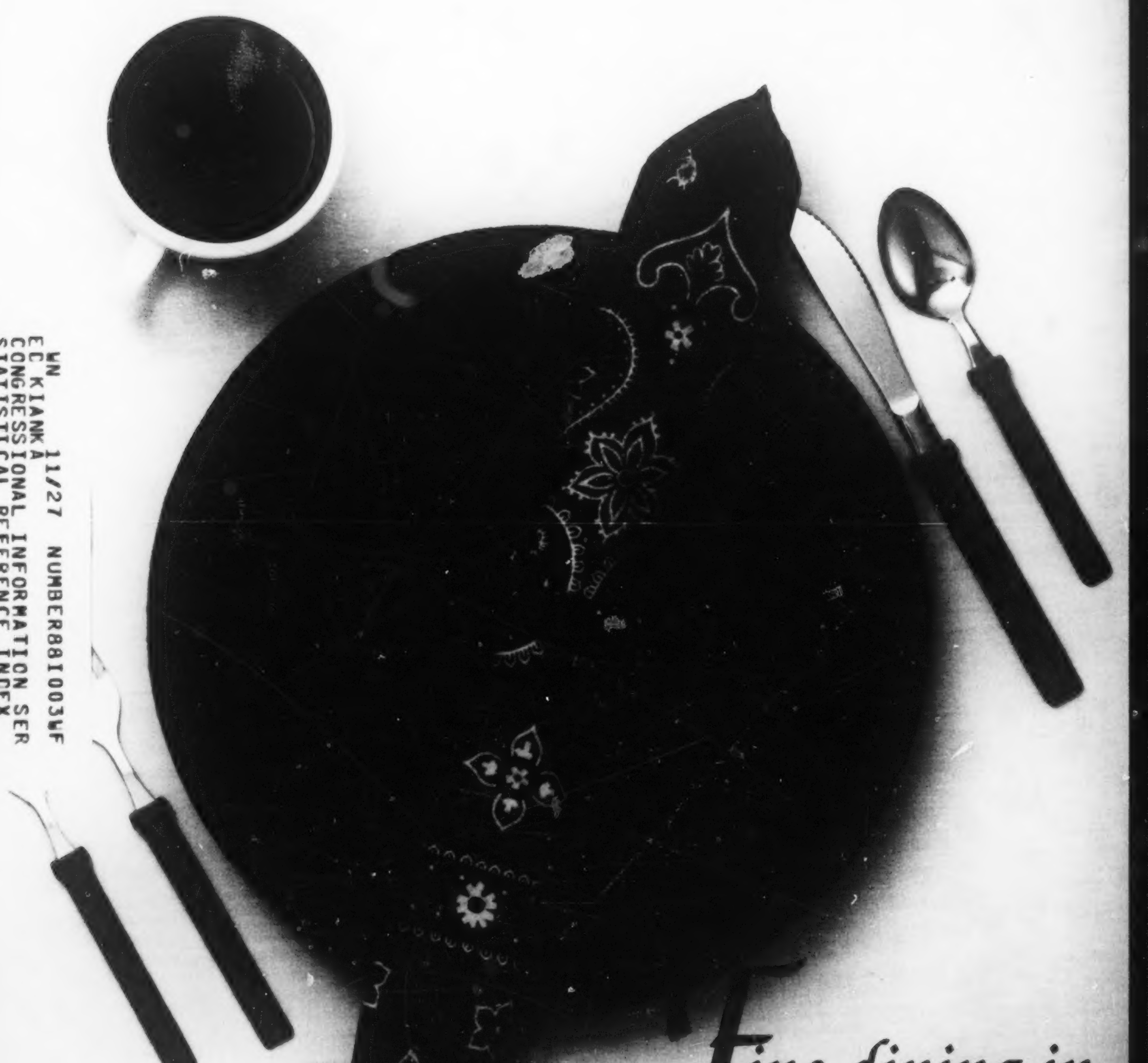

Fine dining in DENIM

ASSOCIATION MEETINGS

SEMINARS

Basic Foodservice Courses

Dining Room Management

2/20	Chicago, IL
2/21	St. Louis, MO
2/26	Grand Rapids, MI

Kitchen Management

2/5	Worcester, MA
2/6	Gaithersburg, MD
3/19	Chicago, IL
3/20	St. Louis, MO

Foodservice Management Courses

Banquet Management

2/12	Tampa, FL
3/5	Baltimore, MD
3/12	Atlanta, GA

Food Cost Management

3/4	Washington, DC
3/5	Worcester, MA
3/20	Chicago, IL
3/21	Detroit, MI

Franchising for Growth

3/28	Chicago, IL

Healthy Profits through Nutrition

3/26	Chicago, IL

The Labor Issue

2/6	Hartford, CT
2/7	Newark, NJ
2/27	Chicago, IL
3/12	Pittsburgh, PA
3/13	Alexandria, VA

Off-Premises Catering

1/29-30	Philadelphia, PA
2/5-6	Portland, OR
3/12-13	Chicago, IL
3/19-20	San Diego, CA

Profitability

2/6	San Francisco, CA
2/7	Los Angeles, CA
2/27	Minneapolis, MN
3/27	Chicago, IL

Promoting Your Restaurant

3/5	Chicago, IL

Successful Buffet Management

2/5	Chicago, IL
2/26	Lexington, KY
3/4	Boston, MA

Takeout Delivers Profits

3/26	Louisville, KY
3/26	Orlando, FL

Note: *All Chicago seminars are held in The Educational Foundation's Conference Center at 250 S. Wacker Drive.*

For information, contact:
Educational Foundation of the National Restaurant Association
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Chicago, IL 60606
(312) 715-1010 or 1-800-522-7578

If your company is interested in our in-house programs, call or write to the attention of Jeff Harrison at the above address.

EXECUTIVE STUDY GROUP SERIES

Financial Officers

4/4–6	Scottsdale, AZ

Foodservice Purchasing Managers

5/17–18	Chicago, IL

Internal Auditors

4/24–27	Key West, FL

Labor Relations

2/22–23	Mobile, AL

Large Independent Operators

1/30–2/2	Honolulu, HI

Management Information Systems

4/17–20	Nashville, TN

Marketing Executives

5/16–20	Chicago, IL

Tax Executives

4/4–6	Scottsdale, AZ

For more information on specific study groups, contact: Philip Kralovec, (312) 853-2525.

The Executive Study Groups present semi-annual professional development programs for executives who would like to meet with their industry peers to share ideas and concerns. Executives in each of the aforementioned disciplines from member foodservice companies are welcome and encouraged to participate.

Customized In-House Seminar Programs

With its customized In-House Seminar Programs, The Educational Foundation of the National Restaurant Association can tailor a seminar to fit any specialized need.

In-House Programs allow key employees and management to be taught at the same time in the same place in a full-day, half-day or hourly format at an economical price.

Applied Foodservice Sanitation, the newest addition, is now among the 21 In-House Programs available. All programs cover the basics and more.

Thousands of industry professionals have developed their skills by attending Educational Foundation seminars. Now training can fit your own schedule. For more information on setting up an In-House Program, call Jeff Harrison at 1-800-522-7578.

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PRESIDENT'S REPORT

Harris H. "Bud" Rusitzky, President
Serv-Rite Food Service and Consulting Corporation
Pittsford, New York

Forecast predicts more industry growth

This issue of ***Restaurants USA*** contains the "1990 National Restaurant Association Foodservice Industry Forecast." It shows that our industry is entering its 10th consecutive year of real growth. Real sales, which have been adjusted for inflation, should rise 1.8 percent in 1990, even though the economy will be growing at a slower pace.

Even though I rejoice with you in the good news of our industry's continued growth, I ask all of you to pay serious attention to what the 1990 forecast has to say about the consumer demand for a more casual dining-out experience. In this time of heavy competition only those restaurants that respond to consumer demand are likely to prosper. Please read the information on this subject in the following pages.

New minimum-wage law passed

A new law raising the minimum wage has been passed by Congress and signed by President Bush. On April 1, 1990, the minimum wage will be raised from $3.50 an hour to $3.80 an hour. It will go up again—to $4.25 an hour—on April 1, 1991. The law includes provisions for a training wage for teenage employees, to be paid for a period not to exceed 90 days of employment by one or more employers.

Your association, along with other small businesses and trade organizations, has battled long and hard against a minimum-wage increase. Even though we were not successful in stopping a hike altogether, your grassroots activity kept lawmakers from passing bills that would have raised the minimum wage as high as $5.05. And we were also able to secure increases in both the tip credit and the small-business exemption.

Section 89 gone

On the other hand, we scored a total victory with the repeal of Section 89. On November 7 Congress finally did away with the cumbersome law that was intended to ban discrimination in applying employee-benefit plans but which, in fact, would have required employers to spend thousands of hours on paperwork and to run complicated tests on their benefit plans. So great was the outcry against Section 89 from foodservice operators and other small businesspeople that Congress was forced to repeal it.

TJTC extended

The Targeted Jobs Tax Credit (TJTC), due to expire December 1, has been extended through September 30, 1990. This underutilized tax credit can mean large tax savings to those who hire hard-to-employ individuals. With a labor shortage affecting almost all of us, hiring disadvantaged youth, welfare recipients, disabled persons and other low-income groups is good business. TJTC provides the incentive to make the good business even better.

ADA moving through Congress

When Congress adjourned November 22, it left plenty of unfinished business, including ADA (the Americans with Disabilities Act). The law, which prohibits discrimination against disabled persons as employees and customers, has already been approved by one committee, and three more committees are scheduled to review it after Congress reconvenes on January 23, 1990.

Your association agrees with the philosophy of this bill: Disabled persons should enjoy the same rights to lead a full life as everyone else. But we foresee that ambiguous language, the cost of implementing the bill and the possibility of punitive action against those who fail to adhere to the bill's provisions could be damaging to restaurateurs, and we have tried to point out these flaws to our legislators.

Thanks to constant input from you and the association staff, the bill is now more practical than it was originally. There is still a possibility of further difficulties being ironed out.

Great Menu Contest now underway

You should have received applications for 1990's Great Menu Contest. This is the 27th year your association has held this contest. Winning menus, which are considered models for the entire industry, will be displayed at the Chicago National Restaurant Association Restaurant Hotel/Motel Show and will eventually appear in a four-color coffeetable book.

The deadline for entering the contest is February 28, 1990. If you have not received your entry form, call the association's communications department at (202) 331-5900 or 1-800-424-5156.

Solid-waste symposium is next month

Don't wait to make reservations for the solid-waste symposium on January 9, 1990. There is a limited amount of space for both the symposium and the hotel rooms at a special discounted price at Washington DC's J. W. Marriott Hotel. Representatives from both private businesses and federal agencies will be speaking on recycling, disposable packaging, new lightweight packaging and recycling laws. Come join us to learn about innovative solutions to our nation's solid-waste problems.

If you haven't received your brochure or you would like further information, call the association's technical services department at (202) 331-5900 or 1-800-424-5156.

New Jersey members join our ranks

On January 1, 1990, the New Jersey Restaurant Association will become the 17th state organization to enter into a dual-membership program with the National Restaurant Association.

Dual membership allows the New Jersey association to benefit from the strengths and services of our national association. In turn, the 800 new members from New Jersey will be a valued addition to our national roster and will bring the number of member companies up to approximately 17,000. This will add strength where it is most needed—at the grassroots level.

Welcome new members

We welcome the 114 new members who joined the National Restaurant Association last month. Your commitment to the association will further strengthen our unified effort to represent the foodservice industry.

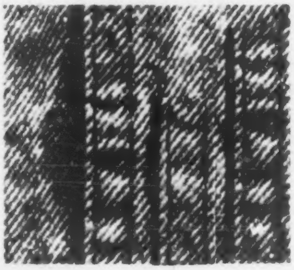
Sincerely,

Bud Rusitzky

Harris H. "Bud" Rusitzky
President and Chairman of the Board

RESTAURANTS USA

COVER STORY: 1990 FORECAST



21 The foodservice industry is primed for its tenth consecutive year of real sales growth. As restaurateurs get ready to enter a new decade, they can arm themselves with the information and analysis provided in this 1990 forecast—including economic indicators, consumer attitudes, demographics, menu trends, operational costs and regional outlooks. This year's forecast talks about the increasing consumer demand for a more casual dining experience—with quality food and service at an affordable price.

SPECIALS

8 Spotlight on the Americans with Disabilities Act

The Americans with Disabilities Act (ADA) is almost certain to become law in the near future. Designed as a civil rights bill for the disabled, ADA will change how restaurateurs run their businesses—from accommodating disabled employees to serving disabled customers. This article reviews ADA from every angle and offers guidelines for restaurateurs to help them comply with the legislation. Also, restaurateurs who have disabled employees on staff talk about the adjustments they've made and the rewards they've garnered from working with such highly motivated individuals.

13 Leadership—through the eyes of a warrior

It may be hard to imagine Attila the Hun as a role model for effective leadership, but that is just what he is to author Wess Roberts, whose bestselling book *Leadership Secrets of Attila the Hun*, caught the attention of executives from coast to coast. Roberts shares his—and Attila's—approaches to leadership in this interview with ***Restaurants USA.***

16 Oat bran took the country by storm

There was no more popular food item in 1989 than oat bran. Health-conscious consumers clamored for muffins, cereals—even pretzels and pastas—made with the wonder bran, championed for its cholesterol-lowering quality. This article looks into the oat-bran frenzy and discusses what will happen in the 90s with bran products. Don't miss the recipes!

18 The casualization of the American restaurant

The baby boomers have grown up, and they lead the pack of restaurant customers who want a more casual dining experience. This "casualization" of the American restaurant translates to simpler, more affordable meals with upbeat, comfortable service and settings. Read about the bistros, cafes, grills and trattorias that are drawing customers.

DEPARTMENTS

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Cover photo by Lee Salsbery; denim sculpture by Sally Vitsky

SHORTORDERS

Sanitation training at Arby's

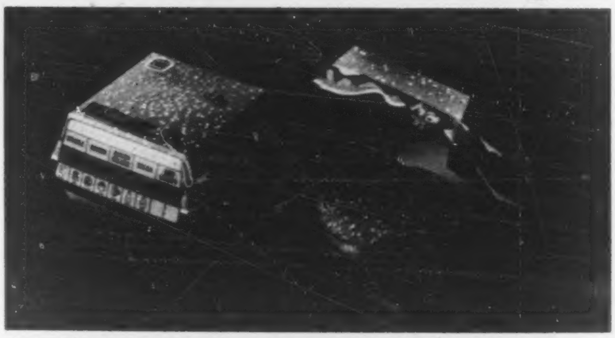
Followup: Video training. **Arby's crew member Priscilla Brooks and crew leader Isaac Lawson (both of Atlanta) review a training video and manual as part of the restaurant chain's new sanitation program, which was specially designed for Arby's by Procter & Gamble. The pilot program includes additional training materials, such as wall charts and installation kits. One thousand of Arby's 2,100 restaurants are using the program.**

Remembering the needy on Thanksgiving

Two restaurateurs who fed the needy on Thanksgiving were (1) Cherrington in Moon Township, Pennsylvania, which provided free Thanksgiving dinners—including turkey and all the fixings, ice cream and pumpkin pie—for needy families from noon to 5 p.m. and (2) the Sheraton Carlton in Washington DC, which delivered 25 turkeys to SOME (So Others Might Eat) headquarters. The turkeys were prepared by the SOME staff for their Thanksgiving meal for the homeless.

In addition, the hotel offered a complimentary Thanksgiving lunch or dinner to local police and firefighters in the Carlton cafe.

Color-coded merchandising



A bold new look. **Burger King Corporation has launched a bold and colorful merchandising and point-of-purchase program in its restaurants. In addition to an innovative packaging design, the program includes a color-coded menu board; a six-poster kiosk and bright, descriptive point-of-purchase posters. Each item in the program uses color coding to group products by six categories, including breakfast, hamburger sandwiches, chicken and fish entrees, salads, side orders, drinks and desserts. The new merchandising system is designed to help customers quickly identify each product.**

Scholarship applications now available

Applications for 1990–1991 foodservice/hospitality scholarships are now available from the Educational Foundation of the National Restaurant Association. Completed applications must be postmarked no later than March 1, 1990, to receive consideration.

Awarded annually, the scholarships range from $500 to $4,000 and are sponsored by more than 25 companies and associations.

Applicants are judged on criteria that include cumulative grade-point averages, professional goals, industry knowledge, foodservice work experience and financial need. Scholarships are awarded to students of two and four-year degree-granting programs.

For applications or further information, contact: Scholarship Department, the Educational Foundation of the National Restaurant Association, 250 S. Wacker Dr., Suite 1400, Chicago, IL 60606-5834; 1-800-522-7578; (312) 715-1010.

California restaurateurs organize quake relief

In the San Francisco Bay Area's continuing struggle to rebuild after the October 17 earthquake, chapters of the California Restaurant Association (CRA) have been active in receiving and distributing donations of food, clothing and money from members. CRA members not directly affected by the earthquake are also helping in the recovery by absorbing displaced employees where possible to minimize job loss.

At this time the most important need of the restaurateurs is funding to help rebuild and reopen their businesses. A local group of industry leaders has assembled under the chairmanship of CRA Vice President Ted Burke, of the Shadowbrook Restaurant in Capitola, to create "CRA Earthquake Fund." This group will assess the need of the industry in the area and will oversee disbursement of donations.

If you would like to contribute to the fund, send checks to CRA headquarters at 3435 Wilshire Blvd., Suite 2606, Los Angeles, CA 90010.

Year in review

Section 89 repeal, passage of a minimum-wage law and rapid movement on the Americans with Disabilities Act (ADA) highlighted the first session of the 101st Congress in 1989.

Section 89 dies

A long year of grassroots lobbying paid off on November 7 when Congress repealed Section 89, a complicated tax rule established in 1986 to prevent discrimination in employee-benefit plans.

After hearing the outcry of American businesses against the complexity and exorbitant costs of Section 89, Congress postponed the rule's effective date several times before finally repealing the law. The extreme change in Congress's position this year—from a refusal to consider repeal to wholehearted support—is a testimonial to the success of grassroots lobbying.

The Public Affairs Conference was a high point of the legislative year.

Minimum wage increased

The day after President Bush signed Section 89 repeal into law, the Senate joined the House in passing a minimum-wage increase.

Responding to mounting political pressures to break the standstill in the 2½-year minimum-wage debate, President Bush and congressional Democrats reached a compromise, raising the wage to $3.80 (with a 45 percent tip credit) on April 1, 1990, and to $4.25 (with a 50 percent tip credit) on April 1, 1991. The new wage allows businesses to pay a limited training wage at 85 percent of the minimum to certain workers under age 20 and raises the small-business exemption to cover businesses with less than $500,000 in annual sales.

National Restaurant Association lobbying efforts since 1987 helped bring about significant concessions from congressional Democrats in the wage bill, including increasing the tip-credit and small-business exemption, substantially delaying the law's effective date and accepting a much lower increase in the wage rate than originally proposed.

TJTC extended

In the final hours of its 1989 session, Congress approved a nine-month extension of the Targeted Jobs Tax Credit (TJTC), a tax credit for employers who hire individuals from certain disadvantaged groups. Employers can continue to take advantage of the tax credit when they hire qualified workers between December 31, 1989 (the previous expiration date) and September 30, 1990.

ADA looms on horizon

The Americans with Disabilities Act (ADA) moved to the forefront of issues facing the industry in 1989. Approved by the Senate on September 7 and currently being considered by several House committees, the landmark civil rights bill would require restaurants to remove structural and employment barriers for disabled individuals.

Although foodservice operators support the concept of extending civil rights protection to disabled individuals, they have criticized Congress for ADA's vague language and have lobbied legislators to make the bill's requirements for businesses clear and reasonable.

National Restaurant Association lobbying efforts have already resulted in considerable concessions from Congress: The private right of access to a jury trial in job-discrimination cases has been eliminated, as has the threat of large punitive and compensatory damage awards and protections for substance abusers. A phase-in period of the employment requirements for small businesses has been added. The association is still urging the House, which has not yet passed a disabled rights bill, to clarify ADA's language, to add a tax-credit provision to help businesses pay for mandatory building renovations and to exempt small businesses from the bill's "public accommodations" requirements.

Tax issues mired in budget problems

The ongoing battle against 1988's added FICA tax on tips gained legislative attention in 1989, when Rep. Hank Brown (R-CO) and Sen. Rudy Boschwitz (R-MN) introduced bills to repeal the burdensome tax. Although budget constraints make repeal of any tax an uphill battle, the National Restaurant Association hopes that H.R. 446 and S. 1815 will generate pressure in Congress to repeal the law that requires restaurateurs to pay Social Security taxes on *all* the tips their employees report.

The National Restaurant Association also responded to members' problems with the Bureau of Alcohol, Tobacco and Firearms' heavy-handed enforcement of the special occupational tax on alcohol retailers. Threatened with exorbitant late fees and interest for a tax many restaurateurs say the government never properly publicized, the association has asked Congress to reduce the tax and establish a statute of limitations on back taxes, penalties and interest. Action is possible in 1990.

Mandated-benefits action delayed

Congress has delayed action on federal mandates for health and parental/medical-leave benefits until next year.

Sen. Edward Kennedy (D-MA), chairman of the Labor and Human Resources Committee, succeeded in pushing a minimum-health-benefits bill, S. 768, through the labor committee on July 12, but the full Senate took no further action. The House bill (H.R. 1845) has been stalled in committee.

Parental-leave bills were approved by labor committees in both the Senate and the House in the spring; however, neither S. 345 nor H.R. 770 has been brought up for floor votes.

The threat of a veto from President Bush, who remains firmly opposed to such mandates, has led supporters of health and leave packages to postpone action until 1990.

Fast food labeling issue resurfaces

As part of its plan to make comprehensive revisions to current food-labeling regulations, the U.S. Food and Drug Administration (FDA) reopened the issue of labeling for fast food products in 1989.

In comments to FDA, the National Restaurant Association argued against mandatory labeling. Although three labeling bills introduced in Congress this year specifically exempt foodservice establishments, FDA initiatives are likely to keep fast food labeling a hotly debated issue in 1990.

—Andrew McLauchlin

SPOTLIGHT ON THE AMERICANS WITH DISABILITIES ACT

WHAT THE BILL MEANS TO RESTAURATEURS

One of the most far-reaching bills introduced in 1989 may be the Americans with Disabilities Act (ADA). Political experts agree it is almost certain to pass, if not this year then early in 1990. ADA is designed to be a civil rights bill for people with disabilities. Restaurants, as public facilities, will be directly affected by ADA. They will be required to make their facilities accessible to disabled customers and not to discriminate against disabled individuals in their employment practices.

by Julie Fintel

Jimmy Doe has Down's syndrome. The doctors had advised Jimmy's family that he would never find a place with "normal" people or be successful. His family thought otherwise—and so did the manager of a local Friendly's restaurant, who gave him a part-time job washing dishes. That was 13 years ago.

Today, Jimmy still works part-time at that Friendly's in Ohio. However, his role in the restaurant has expanded. He now not only buses tables but is also responsible for landscaping. His responsibilities have brought him in contact with customers, and through this contact, Jimmy has gained confidence and has become more verbal. His progress has also had a positive effect on the other employees as well as on many of the regular customers.

This is just one example of how—with some accommodation—persons with disabilities can be successfully integrated into the foodservice workforce. More than 9 percent of disabled persons who are now working have a job in the hospitality industry at such companies as Friendly's Ice Cream Corporation, McDonald's, Burger King and the Marriott Corporation, as well as Kentucky Fried Chicken, Pizza Hut, Arby's and Walt Disney World.

But it is likely that restaurants will soon be hiring even more disabled persons and serving more disabled customers. Restaurants, as public facilities, will be directly affected by the Americans with Disabilities Act (ADA)—the law that would make it illegal to discriminate against disabled Americans in employment, public services and public accommodations.

Most states already have some laws barring discrimination against disabled individuals. In addition, the Rehabilitation Act of 1973 made it mandatory for federal agencies, anyone doing business with the government or any business receiving federal money to make all buildings accessible to the disabled and to give them equal treatment in hiring.

Yet statistics show that 66 percent of disabled persons are still not working, and most receive federal subsidies. According to a Lou Harris poll, there are 8 million people with disabilities in the United States who are currently unemployed but ready, willing and able to work.

Unfortunately, that same poll found that employers don't hire more workers with disabilities because they feel there aren't enough qualified disabled workers available.

Of course, some disabled persons will never be able to work, but the majority of them—with the right training, proper facilities and an employer who will give them a chance—want to hold jobs and become taxpayers; working is important to their sense of pride and dignity.

Persons with disabilities want to become consumers, too, purchasing goods and services in stores and restaurants, many of which are now inaccessible to them. ADA is designed to remove the barriers that currently make it impossible for so many disabled persons to live a normal life.

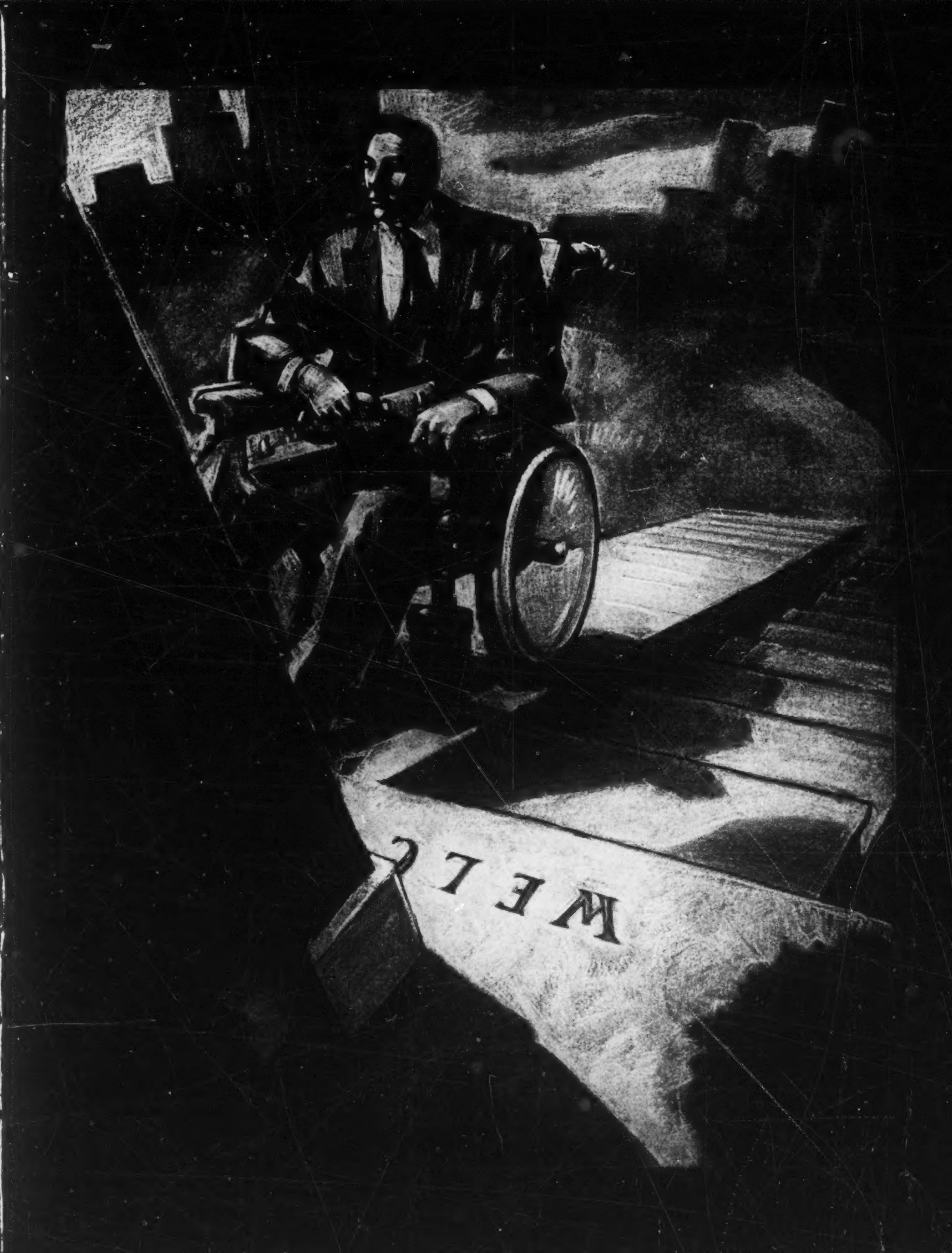
ADA and the disabled customer

To accommodate disabled customers, ADA requires that all structural, architectural and communication barriers be removed from a building, where "readily achievable." "Readily achievable" is defined as easy to accomplish or carry out without much difficulty or expense, but no cost value has been given as a guide. Each case will be judged on an individual basis. The size of the business as well as the nature and cost of the accommodation will be considered.

For example, to ask a restaurant to put in an elevator in an existing building would usually not be considered reasonable. But to put in grab bars or a small ramp where there are just a few stairs is reasonable.

Constructing a new building to be accessible is usually easier and cheaper than making changes to an existing structure. It is estimated that the extra cost of making the accommodations will add approximately 1 to 1½ percent to the original price of a new building.

Julie Fintel is a communications specialist at the National Restaurant Association.


WELC

Of course, some disabled persons will never be able to work, but the majority of them—with the right training, proper facilities and an employer who will give them a chance—want to hold jobs and become taxpayers; working is important to their sense of pride and dignity.

Making a restaurant's services accessible to disabled customers doesn't always involve making structural changes. American Cafe, with 13 units in Washington DC, Virginia and Maryland owned by Monolith Enterprises, already has facilities that can accommodate patrons in wheelchairs. Now it is planning to print braille menus to attract blind customers, and to take other steps to make the disabled more comfortable, including training its staff to be more sensitive to disabled customers and offering extra care if it is needed.

Like the American Cafe, many restaurants believe the expense of making a building accessible is worthwhile because it will bring in more customers. Restaurant reviews now often include information about accessibility to the disabled.

ADA and the disabled employee

In a time when the labor pool is shrinking, hiring disabled persons is good business. But financial incentives are just part of the reason why many foodservice operations are enthusiastic about disabled employees. Although it's not possible to generalize and say that all disabled persons make better employees, restaurant operators who have hired these individuals seem to agree that they have a higher-than-average degree of commitment and loyalty. "A disabled person tends to value a job more highly because he or she had to work harder to get it in the first place," notes Mark Donovan, manager of Marriott Corporation's community employment and training programs.

At a Burger King at Scott Air Force Base, Illinois, manager John Murphy adjusted his regular training schedule to accommodate a learning-disabled 17-year-old girl. "Usually I teach eight to 10 work stations in about six weeks, but I went slower with this girl and trained her for only two positions. Now she's our dining room attendant—it's as if it's her dining room; she takes pride in it—and she's wonderful," Murphy says.

Hiring the disabled also can have a good effect on the rest of the employees. Dianne Ochowicz, now director of personnel at the Radisson Plaza Hotel at Town Center, Southfield, Michigan, has been in Radisson personnel departments for 10 years and involved with disabled-workers programs for eight years. "Nothing is as rewarding, personally or professionally, as working with the disabled," she says.

Ochowicz has won many awards for her work with disabled employees—from a Presidential Award from the Department of Health and Human Services to awards from several states and local community groups. TV coverage of the award ceremonies has usually included an explanation of the hotel's disabled-worker program—a good way for the community as a whole to become aware of what Ochowicz and the Radisson are doing.

Ochowicz often gets feedback from customers who have stayed at the hotel and come in contact with the disabled employees. "I had one woman, a teacher who had been here on a convention, call to tell me she and her friends had spent a lot of time discussing what we were doing. She wanted us to know how much they thought of us for employing disabled persons," relates Ochowicz. "I have never had a negative comment about our disabled workers from a customer," she adds.

Finding and training

If you don't want to wait for disabled applicants to find you, good sources are state vocational rehabilitation programs and private training programs. There are also associations for persons with certain disabilities, such as the National Association of Retarded Citizens in Arlington, Texas.

Almost every foodservice operation with a good-sized disabled-employee program mentions Projects With Industry as a starting point in finding disabled workers. In 1973 the Vocational Rehabilitation Act laid the foundation for the PWI program, with its purpose being to set up partnerships between private business and all resources pertaining to hiring and training of persons with disabilities. The state or private rehabilitation agencies help to train the employees. Counseling and follow-up services are provided at no cost.

The foodservice industry's PWI is promoted by the National Restaurant Association and headed by Brother Philip Nelan. State vocational rehabilitation offices are the primary source for finding disabled employees, but the National Restaurant Associations's PWI also has connections with 400 private training agencies. For example, in New York state last year, PWI helped place 10,000 disabled persons—981 in foodservice.

Job coaches

Although many agencies send job coaches at no charge to the restaurant to give a disabled person one-on-one training, many foodservice operations prefer to use their own employees as coaches, reasoning that "no one can teach dishwashing as well as a dishwasher."

McDonald's McJobs program uses an employee (usually a certified manager) as a job coach to train four or five mentally or physically disabled workers at a time, for a period of approximately two to three months. Following graduation, the employees are "mainstreamed" into the regular crew at the store where they trained.

A Burger King program in Tampa/St. Petersburg, Florida, uses a Burger King employee who specializes in working with disabled persons. Called BKapable, the program includes training in life skills as well as work skills.

Hiring

Not discriminating against disabled persons begins with the hiring process. Jay Rochlin, executive director of the President's Committee on Employment of People with Disabilities, suggests that the best guides for hiring disabled persons are the same as those for hiring able persons—look at the skills, ability and interests of the applicant. "Put people first and recognize the disability as only one characteristic of the individual; it's the person who's important," says Rochlin.

No pre-employment physical may be given before the disabled person is hired; after the individual comes on board, a physical may be required only if it is required of all other newly hired employees.

Making accommodation

Once a disabled person is hired, ADA says employers must make "reasonable accommodation" for that person's physical or mental limitations so that he or she can perform the essential functions of the job—unless the accommodation imposes an "undue hardship," which is defined as an action requiring significant expense. The law will take into account that significant expenses differ from one type of operation to another. Factors to be considered will be the number of workers, number and type of facility, size of budget, type of business—including the way the workforce is structured—and nature and cost of the accommodation.

"Reasonable accommodation" could include anything from lowering a workstation for a person who must work while seated to changing the method of training to take into account a learning disability. It also might include modifying job schedules, providing readers or interpreters, buying or changing equipment and revising tests, training materials or policies.

Accommodations do not have to be costly. Many accommodations don't cost anything. Part-time or modified work schedules are one way to accommodate disabled employees. Or an accommodation could be something as simple as giving a duty that a disabled person can't perform to another employee in exchange for some of the duties from the regular employee.

ADA does not require an employer to give more paid-leave time to the disabled employee than to nondisabled employees. Nor does it require any special insurance coverage as long as the employee receives the same benefits as nondisabled staff members. However, an employer can offer policies that limit coverage for certain procedures or treatments—for example, the policy can specify a certain amount per year for mental health coverage.

What ADA says

Who is disabled?

ADA will protect people with a physical or mental impairment that substantially limits one or more major life activities, persons having a record of such an impairment or those who are regarded as having such an impairment. It also covers those closely associated with someone with disabilities.

For example, a disabled person might be (1) someone with a hearing or sight impairment, cerebral palsy, epilepsy or muscular dystrophy, (2) someone with a history of mental or emotional illness, heart disease or cancer or (3) a recovered alcoholic or reformed drug abuser.

What ADA says about employment

ADA bans discrimination against *qualified* individuals with a disability when hiring and awarding salaries, promotions, benefits, etc.

"Qualified individual with a disability" means a person who, with or without reasonable accommodation, can perform the functions of the job.

The law says employers must provide reasonable accommodations for the needs of a disabled worker, unless doing so would impose undue hardship.

ADA and public accommodations

ADA bans discrimination against people with disabilities in full and equal enjoyment of goods, services, etc. Public places cannot deny service to people with disabilities.

Existing buildings must remove barriers wherever readily achievable. All new buildings that open 30 months or more after the bill is signed must be readily accessible to persons with disabilities both in public areas and in work spaces. The Department of Justice will issue regulations to ensure that buildings are accessible.

Other notable points included in Title III, the part of the law having to do with accessibility, include:

☐ not denying a disabled person the opportunity to participate,

☐ providing equal opportunities to all people,

☐ not making "different or separate" goods or services for disabled persons, unless absolutely necessary,

☐ making reasonable modifications to improve access for disabled persons, unless doing so would fundamentally alter the nature of the product or service, and

☐ not excluding, segregating or denying service simply because there are no auxiliary aids to help the disabled, unless you can show that providing such aids would alter the product's nature or cause undue burden. Auxiliary aids and services might include interpreters or other ways to help the deaf as well as readers, tapes or other ways to help the blind.

When businesses must comply

In the part of the bill regulating employment, businesses with 25 or more employees must conform two years after the bill becomes law; businesses with 15 or more employees will be required to conform four years after enactment .

In regard to not discriminating against the disabled as customers, all businesses must conform within 18 months after ADA becomes law.

Enforcement

If individuals believe they have been discriminated against as employees or potential employees, they can file a complaint with the Equal Employment Opportunity Commission (EEOC). Individuals may also seek injunctive relief and back pay and attorney's fees.

A disabled person who believes he or she has been denied rights as a customer can bring suit against the offending business. The Attorney General can also bring civil suit in cases involving a "pattern or practice of resistance" to the new law.

At Friendly's headquarters in Wilbraham, Massachusetts, Jane Doe, a deaf employee, has a responsible position in the inventory-control department. Accommodations consist of providing a sign-language interpreter at company meetings and sending small amounts of data in writing instead of calling them in over the phone. Friendly's has also installed a signal light to warn her in case of emergencies—since she isn't able to hear an alarm.

Financial help

Small businesses are pushing for financial aid to help defray at least part of the cost of making accommodations or of making a building accessible. Writers of ADA argue that since ADA is a civil rights bill, provisions for a tax refund or credit would not be appropriate. However, such help may be proposed in separate bills. Currently, under Section 190 of the Internal Revenue Code, businesses get a tax deduction of as much as $35,000 for architectural changes designed to aid disabled customers or employees.

The Targeted Jobs Tax Credit (TJTC) has just been extended through September 1990. This tax credit is given to those involved in hiring and training hard-to-employ individuals, including persons with disabilities. The credit is generally equal to 40 percent of the first $6,000 of qualified first-year wages paid to a member of the targeted group—for a maximum of $2,400 per individual. (See the October issue of *Restaurants USA* for more information about this underutilized credit.)

Through the Job Training Partnership Act (JTPA) employers can be reimbursed as much as 50 percent of the first six months' wages for each full-time disabled employee.

The National Association of Retarded Citizens On-The-Job Training Program in Arlington, Texas, will reimburse part of the entry wage of a mentally retarded employee (50 percent of minimum wage for the first 160 hours of employment and 25 percent for the second 160 hours). Call ARC at (817) 640-0204 for more information.

And the Department of Labor will issue a minimum-wage exemption certificate allowing employers to pay 50 to 75 percent of minimum wage for some disabled workers.

Brother Philip Nelan at the National Restaurant Association can discuss these financial incentives further. Call (202) 331-5900 or 1-800-424-5156.

Donovan says making accommodations isn't even a disability issue. "Employers make accommodations constantly. For example, for a left-handed person they may move a phone jack from one side to the other. Or they may provide rubber mats for those who stand for long periods of time," he explains.

John Randall, director of catering at Clock Tower Inn, Rockford, Illinois, thinks of making accommodations for disabled employees as a good investment. "Why not invest it in whatever accommodations we must make—and usually it's not a whole lot of money—when we end up with a person who stays?" he asks.

If an accommodation will create a safety hazard for the disabled employee or for other employees, or if it violates safety and sanitation codes, then it is not reasonable. Or if the impairment eventually makes it impossible for the employee to perform the job, even with the help of the accommodation, then the employer is under no obligation to keep that person on the payroll.

Technical help

When it comes to deciding when and how to make the accommodations your disabled employees will need, the first person you should turn to is the disabled person. Rochlin tells the story of a company that spent thousands of dollars to lower water fountains in order to put them within reach of one employee in a wheelchair. When the modifications were all done, the employee pointed out that all that was really necessary for him was to have cup dispensers by each fountain. (Of course, other wheelchair-users may have other preferences.)

If you don't know whether a potential employee's disability will allow him or her to do the job, Rochlin suggests you take that applicant on a tour of your facilities, letting the individual point out what changes could be made.

Job Accommodation Network (JAN) is another source of help. A service of the President's Committee on Employment of the Handicapped, it is an information, consulting and referral service that provides free information on ways to make cost-effective workplace accommodations. It will provide information on everything from assistance devices and job-task adjustment to building-site modifications. It can also refer you to rehabilitation professionals or support groups and provide information about any disability. JAN's toll-free telephone number is 1-800-526-7234.

States and cities will often have manuals spelling out exactly what their requirements are, with illustrations and charts that any business person would find helpful in remodeling or constructing a new building to make it accessible to persons with disabilities. Call your local rehabilitation service to find out how you can get a copy.

JAN can also give information on how to get building or renovation standards from the American National Standards Institute (ANSI) if your architect or construction contractor doesn't already have that information. Or you can get the standards yourself by calling the Architectural Transportation Barriers Compliance Board in Washington DC at (202) 653-7834.

Meant to help, not hurt

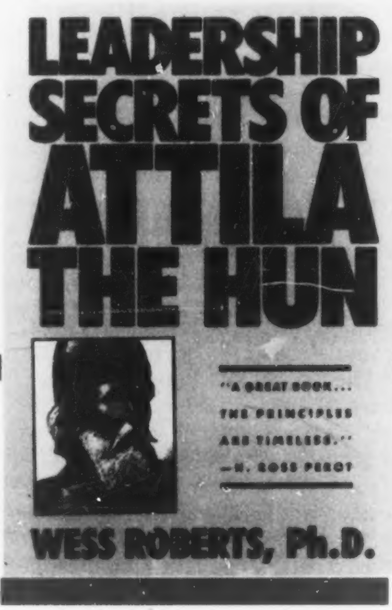
Small businesses, while agreeing that persons with disabilities should be guaranteed their civil rights, have objected not to ADA in principle but to certain aspects of the bill. One major objection is that there are many words in ADA that are not well defined—such as "mentally disabled," "accommodation," "accessible," "qualified" and "reasonable." Businesses are also worried about the cost of making changes and are afraid of being sued for punitive damage awards if they fail to comply with any part of the new law.

Rochlin, whose President's Committee on Employment of People with Disabilities contributed to the bill, reassures businesses. "The bill is meant to help disabled persons, not to hurt businesses," he says. "We want employers to be happy too." ❑

LEADERSHIP

THROUGH THE EYES OF A WARRIOR

Leadership concerns took center stage in 1989. From ***Restaurants USA's*** "Year of the Employee" articles to the leadership panel at MUFSO, "leading people and not managing things" was an often-repeated idea in industry publications and meetings this year. Popular titles also focused on the topic, as readers in all walks of life looked for inspiration and direction to leave a mark during an increasingly competitive time. One book on leadership, however, literally popped off the shelves in 1989 and onto the ***New York Times' bestseller list.*** Its unlikely hero made it stand apart from the other titles on the management racks. After all, who could refuse to open a book entitled ***Leadership Secrets of Attila the Hun?*** Not even ***Restaurants USA.*** Managing Editor Elizabeth Wallace talked with author Wess Roberts to find out more about the principles in his book and how they apply to foodservice.


LEADERSHIP SECRETS OF ATTILA THE HUN
"A GREAT BOOK... THE PRINCIPLES ARE TIMELESS."
—H. ROSS PEROT
WESS ROBERTS, Ph.D.

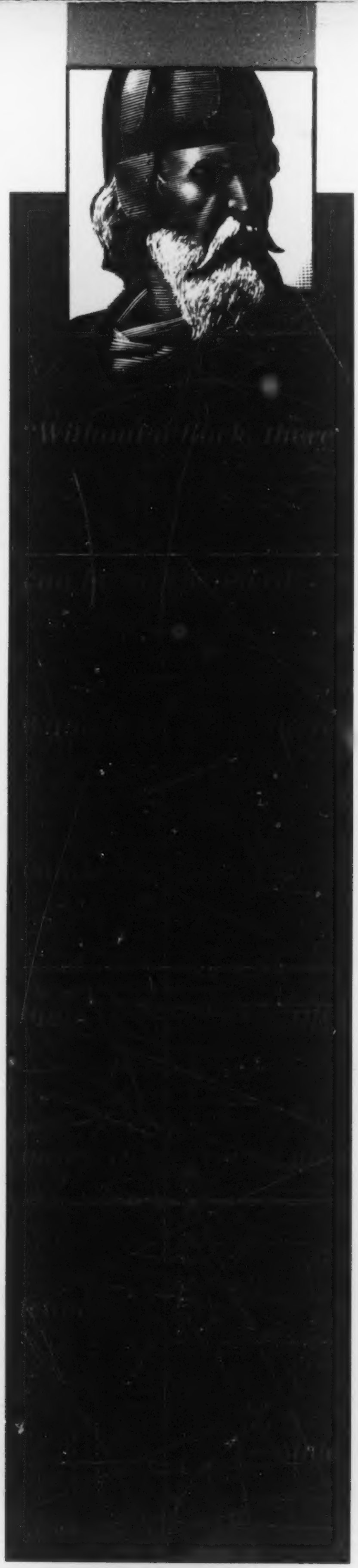
For author Wess Roberts, holding Attila up as a leadership standard was a risk, but one he felt justified in taking. Roberts, who works as vice president of human resources development at Fireman's Fund Insurance in Novato, California, waited 10 years to write a book on leadership—a book that would translate knowledge from his military, corporate and personal experiences into usable information for readers.

"I wanted to make a statement that leadership is not as complicated—or even as faddish—as people think. If you study history, there is always one constant element—human behavior—and it doesn't change much," Roberts claims. "We work under different circumstances and different technologies, but what attracts people to a leader hasn't changed. The fundamentals of leading have always remained the same."

Roberts didn't want to write just another predictable management book, however. "I needed to find a 'hook.' If I wrote *Leadership Secrets of Wess Roberts* who'd be interested?" Enter Attila.

"You must have a passion to succeed—a passion that drives you to prepare yourself and your Huns to excel."—Attila on "You've Got to Want to Be in Charge"

Roberts decided to base his book on a role model, but he wanted a different kind of hero—one that would grab people's attention. It was his son who helped him find one. Ten-year-old Jason suggested he base the book on Attila the Hun. Although Attila seemed an unlikely choice for a positive leadership model, Roberts took



the suggestion seriously. And he began to investigate.

"I noticed that people referred to a tough leader as an 'Attila the Hun'—whether as a compliment because that person got the job done, or in a negative sense, because that person seemed out of control," Roberts says. "Either way, it seemed that when people referred to someone as Attila, it meant that person got results. And results matter in corporate America."

After he did his research, Roberts found that Attila the Hun was an appropriate although misunderstood leader. "Attila was the first leader to give the Huns purpose," Roberts recounts. "He promised them prosperity—and he delivered by leading his armies into battle and recovering vast amounts of booty. He provided them with a homeland, and he freed them from slavery."

Once the hero was chosen, the next decision was to select a format for the book. Roberts decided to have Attila do the talking so readers would get a sense of how a leader thinks and acts. And he decided to proceed chronologically through Attila's life—from his formative years to his death—to illustrate leadership challenges at different stages of development.

Each chapter introduces a vignette from the life of Attila that illustrates a leadership tenet. After describing the situation, Attila speaks to his chieftains on related topics, which range from delegation to decisiveness.

The lessons that Roberts imparts through Attila's voice are meant to get the reader thinking about leadership from a new perspective. And the insights are meant for followers as well as would-be leaders. "By understanding how a leader thinks and acts, a person can accommodate the leader—both emotionally and mentally—and respond appropriately," he explains.

The book has its detractors. Not everyone is comfortable with a historical figure of such ill repute being held up as a role model for leadership. In fact, 17 publishing houses rejected the manuscript before Roberts published the book at his own expense. But word of the book got out quickly, and so many corporate leaders enjoyed it that the book was eventually picked up by Warner Books.

"Chieftains must hold a profound conviction of duty above all other convictions."—Attila on "Responsibilities of a Chieftain"

Throughout the book, Attila impresses upon his chieftains the importance of serving the Huns who follow them. Roberts believes this sense of duty towards employees is the key to success in the business world today and should be the mission of every person who has subordinates.

"For example," Roberts explains, "if you were to open a restaurant, you could 1) focus on your investors, 2) focus on your customers or 3) focus on your employees. I would choose number 3. If you focus on your people by making your restaurant the kind of place where they really want to work, they will feel good about themselves, and they will be eager to please.

"So what happens? They have a good work attitude. This leads to good service, which leads to happy customers." And Roberts concludes that the happy customers bring the profits that please the investors. Therefore, by deciding to treat employees well, the other two objectives are accomplished, too.

"People will get you the results. Loyalty starts with management. You have to be loyal to your people first to prove that you deserve their loyalty and are worthy of being followed," Roberts says.

And this loyalty is gained by making decisions as a leader, not a manager. Roberts describes what he sees as the difference between the two: "Leaders provide direction, circumspection, an example. Managers keep track of things. Sometimes the best management decisions are the worst leadership decisions. For example, if I'm a restaurant manager and I know that November is a slow time for my business, one management decision may be to lay off five employees to save labor costs. Or I could dip into my reserve, keep these people working so that I don't lose them forever." Roberts believes that the ability to make these difficult decisions is what makes leaders strong—and why strong leaders are rare. "If leadership decisions were easy to make, more people would be leaders," he notes.

"Ours is too great and too complex a nation for even such as I, Attila, to direct and lead every action. I must entrust you with certain important duties as chieftains of your various tribes. If I cannot, we are destined to wander as small bands of nomads.
—Attila on "The Art of Delegation"

Although *Leadership Secrets* devotes a chapter to delegation, this technique is perplexing in a system that advocates such strong leadership from the top.

"There are three main points to remember about delegation," Roberts explains. "First, not everyone wants to be delegated to; people have to want the responsibility. Second, not everyone is prepared to make decisions at all times; you have to understand your people and know what they are capable of. And third, if you don't feel good about delegating a job—don't delegate it." As Attila says, "Chieftains should never delegate responsibilities necessitating their direct action."

So a leader must carefully decide what to delegate and to whom, but once the decision is made, a leader must be willing to let go and not interfere in the way the subordinate does the job. This will mean that mistakes will occur, but Roberts reasons the mistakes can lead to good things. "Making a mistake on a delegated task could be the greatest teaching moment. When a student gets 98 out of 100 answers right, you should review those two wrong answers—they could be the two most important points."

"It is the wise chieftain who prepares himself for the eventual moment when his time has passed and a new chieftain is about to take charge. This preparation should be made over time, to avoid precipitating insecurity or loss of commitment or dissipating confidence."—Attila on "Departing with Nobility"

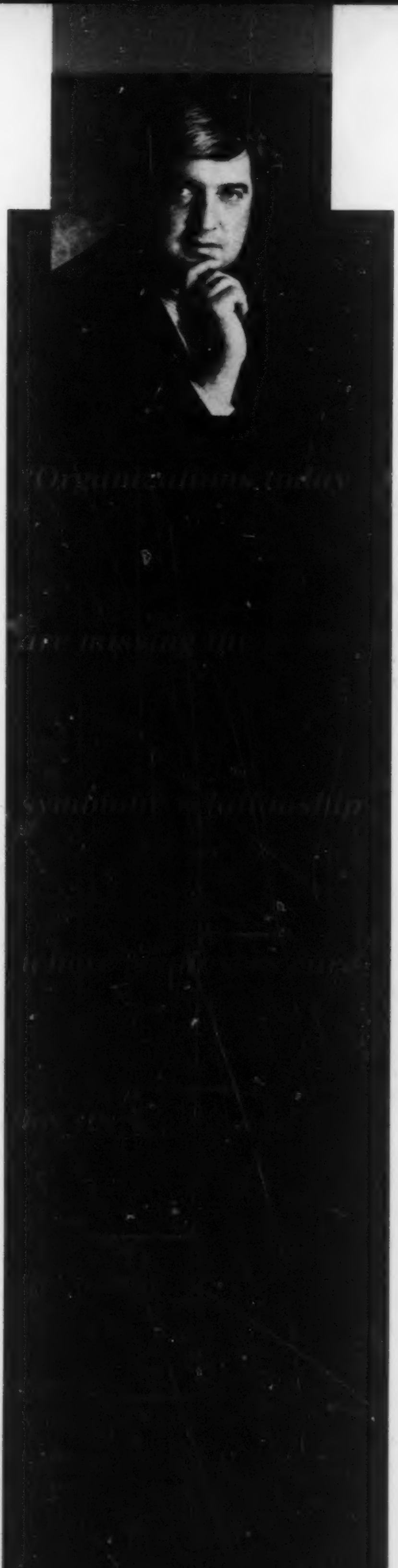
Perhaps Attila's greatest failing is that he didn't leave a successor. At the time of his death, the Huns were still largely ignorant and unprepared to set up a functional society. Roberts offers some possible reasons why Attila didn't leave a successor. First, he died very suddenly—and some say under suspicious circumstances—in his early 50s. Second, he was worshiped by many of his people as a god. (He, too, might have believed he was immortal.) And finally, Roberts believes that Attila overestimated his sons' ability to succeed him.

Just as there are lessons in the way Attila lived, Roberts claims there is a lesson in the way he died. "He was like an entrepreneur in today's business world who didn't have time to set up a structure for the business to continue after he left." Roberts believes a successor must be cultivated. "We overestimate our subordinates' ability to learn by just 'hanging around.' We don't mentor them enough or educate them enough. They need our guidance," he says.

"We must never fail to analyze the past. No bleached bone of a battle-lost Hun must go unnoticed as we prepare for the future by laying aside the ill-conceived and undisciplined strategies of our past. We must form new policies and practices into a Hunnish unity of well-defined purpose."
—Attila on "Lessons Learned"

There is no question that *Leadership Secrets of Attila the Hun* has been noticed. It is being translated into 13 languages. It is available on audiocassette, and it has even been transformed into a videotape, with an actor giving a "dramatic reading" of the text and with Roberts answering questions.

But perhaps its greatest success is that it encourages readers to question not only their own leadership style, but also history itself. Roberts hopes that readers will draw parallels between the life and times of Attila and the modern world of business and come away with a new way of looking at leaders and the people they must lead. ❑



by Claire Regan, R.D.

“Zooming,” “skyrocketing” and “extraordinary” are a few of the adjectives food-industry analysts use to describe sales of oat-bran products. There's no question, consumers are being bombarded with foods containing oat bran, and they're eating them up. In 1988 sales of oat cereals soared about 200 percent from 1987 levels. And in 1989 consumers could choose from an increasing number of oat-bran products—from pasta to pretzels. Seventy-one oat-bran products were on the market by July 1989, up from 44 in 1988. Even foodservice operators have jumped on the oat-bran bandwagon with the likes of oat-bran muffins and doughnuts.

Why oat bran

What's fueling the oat-bran frenzy? In a word, cholesterol. Studies have shown that oat products, in conjunction with a low-fat diet, reduce cholesterol levels. The subjects in these studies consumed 35 grams of oat bran a day—the equivalent of 2 ounces of cereal (about one cup of cooked cereal). Surprisingly both oat bran and oatmeal had similiar cholesterol-lowering effects: Cholesterol levels declined only about 3 percent. Other studies have had more dramatic results, but the amount of oat products needed are unrealistic in a normal diet. With the data from these studies in hand, manufacturers were off and running. Nutritionally savvy consumers, eager to purchase heart-healthy products, gobbled up oat-bran muffins, cookies, breads and crackers.

The boom in the oat market caught farmers and manufacturers off guard. According to *Food Engineering* magazine, the 1988 oat crop was reduced due to prior low demand. This, plus the damage of the drought, caused prices to rise as much as 25 percent, leaving oats affordable only for larger manufacturers.

Other fiber elixirs

So researchers are scrambling for other fiber elixirs that will have the same marketing magnetism as oat bran. This should not be difficult since most foods rich in water-soluble fiber, the same fiber present in oats, also lower cholesterol levels. Diets supplemented with dried beans have been shown to have cholesterol-lowering effects equivalent to diets with added oat bran. Initial studies using rice bran or rice-bran oil look promising; and fruits, especially apples and citrus fruits, also are sources of soluble fiber. Foods containing apple fiber, guar gum, barley, rice bran and rice-bran oil are likely to be competing with oat-bran products for supermarket shelf space in the 1990s. And contrary to scientific speculation, corn bran, which like wheat bran contains primarily insoluble fiber, also could be an effective cholesterol-lowering agent.

So what's the bottom line here? Dietitians and nutritionists are quick to point out that to lower cholesterol levels, oat bran and other foods high in soluble fiber should not replace low-fat diets. Rather, these foods can be used in conjunction with diet and exercise in cholesterol-lowering efforts. Also keep in mind the amount of oats and oat bran used in the studies. Many commercial products that tout oat content contain one-quarter

CHOCK-FULL-OF-FRUIT OAT-BRAN MUFFINS

Makes 12 muffins

Ingredients:
1¼ cups of oat bran
1 cup rolled oats
¼ cup brown sugar
1 Tbs. baking powder
1 tspn. ground cinnamon
1 very ripe medium banana
2 tspns. finely shredded orange peel
(1 small orange)
¼ cup fresh orange juice
2 Tbs. vegetable oil
2 egg whites
1¼ cup skim milk
1 cup dried mixed fruits

Method:
Adjust oven rack to the middle position and heat oven to 425° F. Line a muffin tin with paper baking cups; set aside.

Put bran, oats, brown sugar, baking powder and cinnamon in a food processor fitted with the metal blade, and process until thoroughly mixed (the oatmeal will be ground slightly). Add the banana and process until pureed. Add orange peel, orange juice, oil, egg whites and milk; process just until the batter is smooth. Stir in dried fruits.

Spoon batter into muffin cups. Bake muffins for 22 to 23 minutes or until browned. Cool before serving.

Muffins can be wrapped in foil and frozen. To defrost, unwrap, rewrap in a paper towel and microwave on high power for 30 seconds.

Hint: For ease of removal, use foil muffin liners. They pull off easily, especially for recipes that are lower in fat.

Nutrients per muffin:
Calories—147; protein—4 g; carbohydrate—26 g; fat—3 g; sodium—103 mg; cholesterol—1 mg

—Recipe from Jane Salzfass Freiman for Project LEAN

Claire Regan is manager/staff nutritionist at the National Restaurant Association.

CALIFORNIA CLING PEACH & OAT-BRAN MUFFIN

Makes 100 muffins

Ingredients:

8 cups oat bran
8 cups flour (whole wheat can be used)
7 Tbs. baking powder
2 Tbs. nutmeg
2 Tbs. cinnamon
4 tspns. salt
4 tspns. baking soda
2 qts. dates, chopped and pitted
1 qt. apple juice
2 #10 cans peaches in juice, drained
2 cups safflower oil
8 eggs, slightly beaten
6 egg whites, slightly beaten

Method:

Combine dry ingredients.

Heat apple juice and dates in a heavy saucepan, stirring occasionally until mixture is thickened and well combined. Set aside and let cool.

Puree drained peaches and measure one gallon.

Combine peach puree, date mixture, oil, slightly beaten eggs and slightly beaten egg whites, and stir lightly.

Add peach mixture to dry ingredients all at once, and mix lightly just until moistened. (Overbeating will create tough, coarse muffins.)

Line 100 muffin cups with baking liners and fill with muffin batter almost to the top. Bake in pre-heated 350° F. oven for 15-17 minutes or until done.

Nutrients per muffin:

Calories—176; protein—3.9 g; carbohydrates—25.8 g; fat—5.8 g; sodium—218 mg; cholesterol—25 mg.

The nutrient positives for this recipe includes the use of oat bran, dates and peaches for dietary fiber. The recipe controls total fat so that it is below the suggested dietary guidelines not to exceed 30 percent calories from fat.

—California Cling Peach Advisory Board

to one-tenth the oat bran delivered in a serving of cooked oat-bran cereal. Besides, some of them, like muffins and doughnuts, are high enough in fat to offset the potential benefits of the oats. In fact, it is necessary to eat as many as five oatmeal English muffins or 10 oat-bran bagels to reach the level of oat bran (35 grams) that produces a 3 percent drop in cholesterol levels.

Foodservice will not be overlooked

Foodservice operators will not be overlooked by companies marketing oat-bran products. Muffin mixes and crunchy oat-bran toppings, suitable for a variety of foods from ice cream to fruits, are a couple of examples. When purchasing these products, look for those with the highest amount of oat bran per serving and the least amount of fat. Some of the oat-bran pancake products and pastas are good choices. When using oat bran in a recipe, remember that one-third cup of precooked oat-bran hot cereal has about 28 grams of oat bran. To be nutritionally beneficial, oat-bran muffin recipes that yield at least one dozen muffins should have no more than one-quarter cup of fat and only one egg yolk, and should call for skim or low-fat milk.

Finally, when promoting oat-bran foods, be careful about the health claims you might be tempted to make about them. Despite some of the statements made by food processors, the Food and Drug Administration still does not permit health claims to be made in conjunction with food products. Such a statement would promote a food as being effective in the prevention, cure, mitigation or treatment of a disease. Therefore, relating food containing oat bran to the prevention of heart disease is illegal. In fact, the state of Texas is suing a food manufacturer for making health claims for its oat products, which are promoted for their cholesterol-lowering benefits while downplaying the significance of a low-fat diet. Foodservice operators would be wise to promote oat-bran foods on the basis of their ingredients alone. ❑

Canola—the cooking-oil darling?

During 1989 canola was the darling of the cooking-oil market because of its low saturated-fat content and high levels of monounsaturated fat. Canola, like olive oil, has been praised for its cholesterol-lowering abilities, and like other vegetable oils, it can be processed into solid shortening and margarine.

Canola oil is extracted from the seeds of the rape plant, which is a member of the same botanical family as turnip, cabbage and mustard plants. The majority of canola is grown in Canada, where the cool weather and high moisture levels are conducive to its growth.

Canola oil is available to foodservice operators as both liquid oil and frying shortenings under a variety of brand names, such as Puritan canola oil, Nutrafry and Optima. Although foods cooked in canola have a lower saturated-fat content than foods cooked in other oils, initial studies suggest they could be higher in total fat. A study comparing soybean and canola shows that food fried in canola absorbed 4 percent more fat than the same products fried in soybean oil. Since the canola oil costs more than soy oil, which produced a product of equal quality, the researchers recommended continued use of soybean oil.

THE CASU

OF THE AMERI

by David Slater

Restaurant customers are a notoriously fickle bunch, prone to whims and fancies that can break a restaurateur's heart. Although they still have time for high-priced, formal restaurants, today's dining public wants an experience that's slightly more fun and casual. Operators have responded by slipping into something more comfortable . . . and their disarming designs, efficient but casual service, and healthier, more traditional food—served at prices that make it slightly easier to swallow—seem like a match made in heaven.

Appealing to a wider market

The casual restaurants that are becoming the new customer magnets follow no definite formula, except that comfort, not formality, is their guiding philosophy. These casual restaurants range from bistros, cafes, trattorias and grills to ethnic, specialty and theme operations. Some cater to couples with children, others to singles. Some have spent as much money to look casual and familiar as many restaurants spend to look spectacular. And although some of these restaurants have check averages that seem to belie the "casual" classification, these less formal operations generally are aiming for lower checks and faster turns.

Because they put less strain on the customer's time and wallet, informal operations are less likely to turn into solely special-occasion restaurants. But, as Chicago designer Mark Knauer is quick to point out, "They still are characterized by a high degree of service and a high level of food quality."

A revolt against pretense

The dining public's movement toward more casual midscale and upscale restaurants can best be viewed as a revolt against overly formal service and decor—and especially against food served in small portions at big prices. This revolt is powered by a combination of economic and sociological needs. "People are too active to cook every night," says Sammy Catania, co-owner of suburban Cleveland's Swamp Club Cafe, "but economically speaking, they are becoming more cautious." What people of all economic levels seem to be looking for, he adds, is better perceived value.

One of the reasons customer are less inclined to spend huge sums is that quality dining options have never been better. "As competition has increased," explains Lydia Shire of Biba restaurant in Boston, "the quality of restaurants has gone up, and people have found they don't have to spend a lot of money to get good food."

With the older baby boomers, in particular, more practical economic concerns come into play. George Mannion, general manager of Den-

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David Slater is a communications specialist at the National Restaurant Association.

ALIZATION

AN RESTAURANT

At Cucina!Cucina!, a luncheon counter and open kitchen entertain customers and tie them more intimately to the dining experience.

ver's Beach Grill, a casual midscale theme restaurant, says that the people who used to frequent the trendy upscale restaurants he has run simply "can't afford to do that now. All the baby boomers have kids. Now the first thing they're looking for is a reasonable menu price."

Not the formal multi-course meal

In general, the menus differ from those at more formal restaurants in that they offer customers more flexibility in pricing and selection. Realizing that few people have the wallet, stomach or time to enjoy a multi-course formal meal every night, operators have gotten back to basics.

As expected in a category that includes such a variety of concepts, the menus range from homestyle American standards to lighter California-style cuisine and authentic ethnic foods. Some menus include a combination of sophisticated, complex dishes and simpler, lighter foods. And because many customers feel comfortable grazing or sampling, lower menu prices are often offset by an increase in the number of dishes ordered.

Authentic old photographs hung on pine planking (at background of picture) give customers a feeling of familiarity at Chicago's Old Carolina Crab House.

For example, at the Swamp Club Cafe, where the eclectic-American menu includes a "cross-cultural" variety of fish, grilled meats and pastas, co-owner Sammy Catania moves "tons" of veal meatloaf with gravy and potatoes. "There was a cycle where people were excited about seeing food as an art form," he explains. "But things got carried away and people got turned off by the pretense; people have always liked good basic food."

At Mimma's Cafe in Milwaukee, Wisconsin, customers also are standing in line for homestyle food. But in this case the attraction is homestyle Italian, not American, dishes. Owner and chef Mimma Megna serves a rotating menu of simple pastas, meats and fish from different regions of Italy at prices ranging from $5.95 to $12.95. "Five years ago, this menu wouldn't have worked because people were more into fads," says Megna. "Now they are into health, feeling at home and having a good meal."

Joe Lynch, owner of Dexter's, two white-tablecloth American grills in Birmingham, Alabama, also agrees that health concerns are one of the reasons menus have become more basic. "We're constantly revamping the menu to make it a little more casual," he says. "The general clientele wants simpler food items, with more grilled dishes and less heavy sauces." Grilled dishes, such as catfish, rib eyes, flank steaks and fillets, have turned into big movers on Dexter's menus, says Lynch.

Of course, none of this is to suggest that the menus at the new informal restaurants can't be sophisticated and even trendsetting. At Biba restaurant, for example, Shire's eclectic menu, which features such dishes as "gingered beef in steamed dumplings with toasted sesame," "crisp corn cakes with sauteed lobster and smoked cod" and "calves' liver with flaky turnip pastry and 'sort of burnt' Maui onions" can hardly be called "casual." But the surprising twists Shire gives to staple regional ingredients add to the atmosphere at her self-described "chic brasserie." A complete meal check average of $30 to $35 is the most important reason why Shire considers her restaurant to be casual.

Casual, efficient service

One of the keys to a comfortable, casual dining experience, of course, is the service, and many of today's casual restaurants are striving to remove some of the stiffness from their customer interaction, without compromising efficiency.

At Dexter's in Birmingham, general manager Steve Ennis has found that "When the same guy is doing everything at the table, it is simple to establish a one-on-one relationship with the customer."

In Seattle, Bill Schwartz, president of the Schwartz Brothers restaurant organization (7 units), has discovered that one of the keys to casualizing service is allowing servers to express their individuality in both their dress and their interaction with customers. At the company's two Cucina!Cucina! Italian bistros, for example, the servers dress within certain color schemes, but can select their attire from a versatile, casual line of Cucina clothing, including shorts in the summer.

Also important to Cucina's casual service atmosphere, says Schwartz, are the waitstaff's unscripted presentations and their general freedom to "be themselves." The casual atmosphere makes patrons less demanding, adds Schwartz. "We still take good care of them, but people want to have fun; and formal restaurants just are not as much fun."

Display kitchens, too, are being used to entertain customers and tie them more intimately to the dining experience, as are lunch counters, which are an ideal way to serve individual diners because they make solos feel less conspicuous. At the Yankee Diner in Seattle, for example, customers eat breakfast, lunch and dinner at the 40-foot-long, 16-seat, scrolled-back lunch counter/bar.

Although there is a danger in making customers feel so at home in a restaurant that they don't want to leave, in general, most operators agree that the hustle-bustle atmosphere of the bistro-style restaurant, combined with the time pressure under which most customers already operate and the short preparation time of today's simpler dishes, keeps patrons from sitting too long.

Casual decors

In a departure from the 1980s, when restaurant design was intended to dazzle, amuse and make up-to-the-moment fashion statements, the unifying characteristic of today's casual atmosphere is that it includes elements that are familiar to the target market. Whether it is the "retro" diner or a modern bistro with a breathtaking waterfront view, designers are including features that disarm and relax patrons to give them a feeling of comfort rather than formality.

"There's so much hustle and bustle in daily life that when people go out, they want to get away from the strictness of the business world," says designer Bob Mesher, of Seattle's Mesher, Shing and Milton. "The atmosphere that allows them to relax is one that is casual and fun."

At the Swamp Club Cafe, for example, which is housed in a 95-year-old building built on swampland, the owners used neutral colors, such as burgundies, greens, light oaks and camels, and tongue-and-groove pine suggestive of the family room in a large suburban home. "It's a relaxing atmosphere that includes nothing to offend anyone," says co-owner Catania.

Even when the designs are more eclectic combinations of high-tech and post-modern elements, they are tempered by traditional features that the customer can grasp onto. For example, Cucina!Cucina! includes a modern bistro design with knotty pine on the floor and walls. The pine gives the design an element of surprise, but also of familiarity and "realness," says designer Mesher.

Mark Knauer of the Chicago design firm Knauer, Inc., says that the best way to make people feel at home in today's casual restaurants "is to throw some elements at them that they feel comfortable with."

To add a feeling of familiarity to Chicago's Old Carolina Crab House, Knauer took photographs of employees fishing when they were kids and hung them on an old pine planking. Personal elements like the photographs, says Knauer, "communicate a feeling that your needs will be taken care of by the owner or someone who cares about you."

An influential market

The casualization of the midscale and upscale restaurant sector is having a decided effect on the foodservice industry.

Will the baby-boom generation maintain its behavior as it matures? Observers seem to think so, according to this year's National Restaurant Association forecast. ❑

1990
NATIONAL RESTAURANT ASSOCIATION FOODSERVICE INDUSTRY FORECAST

HIGHLIGHTS

The industry is entering its tenth consecutive year—a decade—of real growth.

□ **Foodservice industry sales** are projected to reach $241.3 billion in 1990—an increase of 6.2 percent over 1989.

□ Even though the economy will be growing at a slower pace, **real sales,** adjusted for inflation, should rise 1.8 percent—a slight improvement over 1989's 1.5 percent real increase.

□ **The Commercial Foodservice Group** will post sales of $213.9 billion in 1990—up 6.3 percent over 1989. Adjusted for inflation, this represents a real gain of 1.9 percent.

□ The largest real gains of 3 percent or more in the commercial sector will be posted by retail host restaurants, foodservice contractors, social caterers and fast food outlets.

□ Sales for the **Institutional Foodservice Group** are expected to rise 5.0 percent or 0.9 percent in inflation-adjusted dollars.

□ In the institutional sector, real gains exceeding 3 percent are forecast for transportation foodservice, community centers, clubs, and sporting and recreational camps.

□ **Menu prices** are expected to advance 4.4 percent in 1990, down slightly from the 4.6 percent increase in 1989.

The information in this report was prepared in consultation with the research firm Malcolm M. Knapp, Inc.

Overview—a decade of real growth
The economy—longest peacetime expansion since World War II
A new approach to demographics
Consumer attitudes toward takeout and delivery, casual dining, ethnic food
Food and beverage trends— old favorites have new accents; new ethnic darlings; greater variety of produce; carbonated, low-alcohol drinks
Health and nutrition concerns continue
1989 menu analysis reflects trend toward casual dining
Industry operations—competition heats up, operators look to international marketplace, operations data
Labor trends
Marketing/advertising
Solid-waste-reduction efforts
Legislative/regulatory highlights
Major market outlook
Regional and state forecast

OVERVIEW: A Decade of Real Growth

The foodservice industry is primed for its tenth consecutive year of real sales growth. Industry sales in 1990 are expected to total $241.3 billion—an increase of 6.2 percent above the $227.2 billion recorded in 1989. Real sales, after adjusting for inflation, are projected to advance 1.8 percent, equal to the expected increase in the Gross National Product (GNP).

In 1990, industry sales will be up by $14.1 billion—roughly equivalent to annual sales at the nation's jewelry or shoe stores. Although the industry has matured and the extraordinary percentage gains of earlier years are not being matched, absolute dollar increases are still expected to be substantial, presenting a host of opportunities for foodservice operators.

Food and drink sales in the Commercial Foodservice Group are forecast to show the strongest industry gains in 1990, advancing 6.3 percent to $213.9 billion and accounting for 88.7 percent of total foodservice sales.

In inflation-adjusted dollars, sales for the Commercial Foodservice Group are projected to rise 1.9 percent in 1990—up slightly from the 1.6 percent real growth experienced in 1989. Within the Commercial Foodservice Group, eating place sales, which account for almost two out of every three industry dollars, are expected to reach $156.4 billion. Eating place sales are forecast to increase 6.3 percent in 1990 or 1.9 percent in inflation-adjusted dollars. In comparison, real eating place sales advanced a slightly lower 1.7 percent in 1989 because consumer spending on durables was higher than expected and summer traffic was relatively weak.

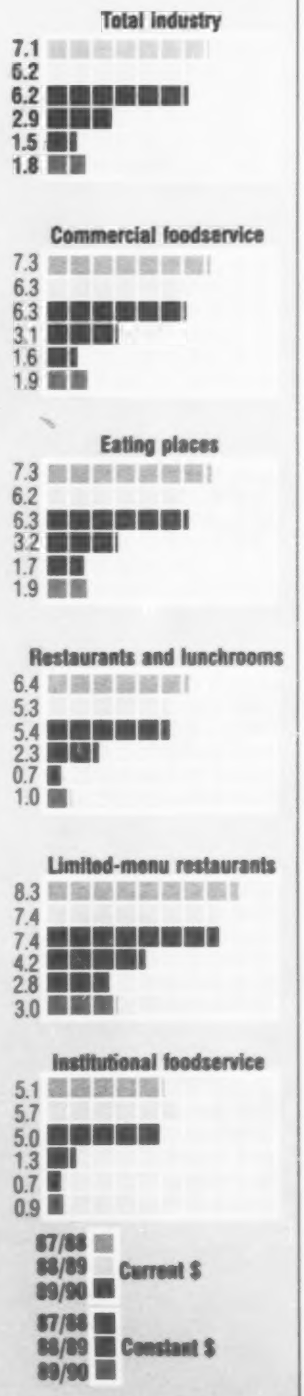
The Institutional Foodservice Group is forecast to post sales of $26.2 billion in 1990—up 5.0 percent from sales of $25.0 billion in 1989. In real terms, this translates into a 0.9 percent advance—up from the 0.7 percent real growth posted by this sector in 1989—and reflects positive growth in the transportation and hospital sectors as well as for clubs, sporting and recreational camps, and community centers.

Military Foodservice Group sales in 1990 are expected to climb to $1.1 billion, a 5.8 percent increase over 1989. After adjusting for inflation, real sales are expected to advance 1.4 percent—up slightly from the 1.2 percent real gain for 1989.

In sum, the 1990 forecast is for continued but modest growth with ample opportunities for foodservice operators and their suppliers. Food away from home is no longer perceived as a luxury. Instead, it has become an increasingly important component of everyday life and nearly half of all adults purchase it on a typical day. Today's behavior patterns reflect a steady increase in share of the total food dollar being allotted to food prepared away from home. This long-term behavioral change, fueled by the fundamental need for convenience, especially among dual-earner families, is the basis for continued industry growth.

Percent change in foodservice sales

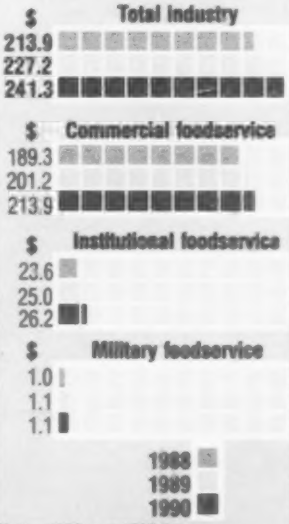
Industry real growth in 1990 will be 1.8 percent



Note: *1989 and 1990 figures are projected*
Source: National Restaurant Association

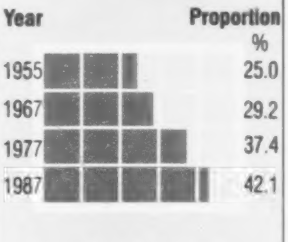
Foodservice industry sales (billions of dollars)

Total industry sales will exceed $241 billion in 1990



Note: *1989 and 1990 figures are projected; they may not add to total due to rounding*
Source: National Restaurant Association

Proportion of food dollar spent away from home 1955–1987



Source: National Restaurant Association

What's in store for the economy in 1990?

☐ *More modest growth:* Real GNP up 1.8 percent

☐ *Somewhat lower inflation:* CPI advancing 4.4 percent

☐ *Smaller advances in disposable income:* Real disposable personal income to grow by 1.9 percent

☐ *Slightly lower interest rates:* The annual average prime rate at 10.1 percent

☐ *Unemployment edging up:* Civilian unemployment rate at 5.6 percent

Source: *Blue Chip Economic Indicators*

THE ECONOMY

Because business conditions within the industry reflect general economic conditions, it is important to understand how the economy has performed in 1989 and to examine expectations for 1990.

1989 economic highlights

The rate of U.S. economic growth slowed in 1989. The GNP advanced an inflation-adjusted 2.9 percent, compared to the 4.4 percent real growth experienced in 1988. The period of continuous U.S. economic growth, which started in late 1982 and continued through 1989, marks the longest peacetime expansion of the nation's economy since World War II.

Inflation heated up slightly in 1989. The Consumer Price Index (CPI) advanced 4.9 in 1989, versus a somewhat lower 4.1 percent increase for 1988. The higher inflation rate was in part due to increases in grocery prices—a continued effect of the 1988 drought.

Overall, the nation's employment situation remained optimistic in 1989. The annual civilian unemployment rate edged downward to 5.3 percent from 5.5 percent in 1988. Also, the number of employed civilians rose to a record number of 117.4 million. This 2 percent gain in civilian employment, combined with continued spending by consumers, helped to fuel economic growth in 1989.

Real disposable income posted a 3.8 percent gain in 1989, following a 4.4 percent advance in 1988. On the strength of this gain, consumers continued to increase their spending, although at a somewhat reduced rate—a 2.4 percent real gain in 1989 versus 3.4 percent in 1988. Consumers also put the largest share of their income—5.3 percent—into savings since 1984. To increase savings and indulge themselves in goods and services, they took on record levels of debt in 1989; the outstanding sum exceeded $700 billion.

How consumers perceive their financial situation and the amount of cash they have on hand influences their spending for food away from home. When Americans buy large capital goods on credit, their fixed charges against income go up, and eating places can be hurt in the short run. Although the match is imperfect because a myriad other factors are involved in determining expenditures for eating out, it is interesting to look at auto and truck purchases in 1989 versus foodservice patronage. For example, in March 1989 purchases of new cars and light trucks jumped almost 19 percent from the prior month, and the proportion of adults who were foodservice patrons on a typical day dropped 7.4 percentage points.

In August 1989 a similar phenomenon occurred. Consumers were offered extraordinary incentives to buy cars, coupled with news that prices in the "new model year" would be up substantially. Again, new-car and light-truck sales leaped 13 percent. At the same time foodservice patronage declined 5.7 percentage points, as measured by the National Restaurant Association's "Foodservice Market Measure." Taking on new debt to finance their big durable-goods purchases, consumers found themselves short of cash in what is traditionally one of the strongest months of the year for eating places.

In sum, 1989 sales growth for eating places did not meet expectations based on the gain in consumer income, because cash on hand was squeezed by unanticipated major purchases.

Economic expansion to continue in 1990

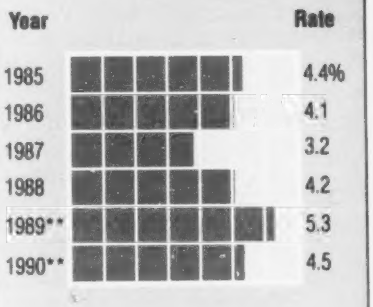
The economy should continue to grow at a modest pace in 1990, according to *Blue Chip Economic Indicators* (October 1989). This consensus forecast for key economic variables by more than 50 top economists predicts that real GNP gains will be lower in 1990 than in 1989—up 1.8 percent, compared to the 2.9 percent advance for 1989.

An additional economic barometer for the restaurant industry is the rate of change in disposable personal income. Real disposable personal income is forecast to advance 1.9 percent in 1990—down from a higher 3.8 percent increase in 1989. However, consumers are also expected to lower their savings rate to 4.5 percent of disposable personal income in 1990, down from a higher 5.3 percent rate in 1989.

As a result of a smaller advance in real disposable personal income, consumer spending is forecast to grow a more modest 1.8 percent in 1990. Real durable-goods purchases are expected to increase just 0.6 percent, compared to the larger 2.6 percent advance recorded in 1989. Consequently, a 1.7 percent increase in industrial production in 1990 is expected—down from the 3.3 percent advance posted in 1989.

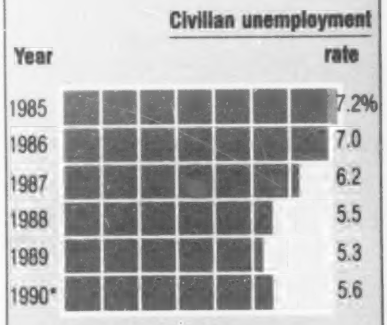
With a lower rate of growth in consumer spending and industrial production, the nation's 1990 civilian unemployment rate is expected to edge upward to 5.6 percent. Housing starts are expected to remain essentially stable at 1.4 million units, while car sales (both domestic and imports) are forecast to decline from 10.1 million units in 1989 to 9.9 million units in 1990. Interest rates are expected to moderate slightly in 1990, with the prime rate dropping to an annual average of 10.1 percent, down from 10.8 percent in 1989. Also moderating somewhat in 1990 should be the inflation rate.

(continued on page 26)



Personal savings rate:* 1985–1990

**as a percent of disposable income*
***projected*
Source: Department of Commerce, Bureau of Economic Analysis; *Blue Chip Economic Indicators*



The employment profile: 1985–1990

**projected*
Source: Department of Labor, Bureau of Labor Statistics; *Blue Chip Economic Indicators*

EATING-PLACE HIGHLIGHTS

Eating places, which account for nearly 65 percent of total foodservice sales, posted a 6.2 percent sales gain in 1989, with sales reaching $147.0 billion. The forecast for 1990 indicates that sales in this segment should continue to expand as total eating-place sales reach $156.4 billion, a 6.3 percent increase over 1989. Adjusted for inflation, eating-place sales will grow 1.9 percent in 1990.

Fast food (limited-menu restaurant) sales are expected to climb 7.4 percent in 1990, reaching $70.4 billion. Real sales are expected to increase 3 percent.

Fast food continues to be the foodservice growth leader, generating nearly half of the real gain in dollars for the industry, compared to 18 percent for tableservice restaurants. Fast food is expected to lead tableservice restaurants in both nominal and real growth for the foreseeable future.

Nevertheless, the growth differential for fast food and tableservice establishments will decline as the difference in rate of unit expansion all but vanishes. Recent Census data show similar rates of expansion for both tableservice and fast food restaurants between 1982 and 1987. The fast food sector grew by nearly 18,500 units at a compound annual rate of 2.9 percent, versus 19,500 units and a compound annual rate of 2.7 percent for tableservice restaurants. Major fast food chains will seek to maintain their growth rates by continuing to expand more rapidly in markets outside the United States. Moreover, fast food concepts are being located in such nontraditional locations as hospitals and schools.

The fundamental driving forces behind fast food sales growth continue to be convenience, quick service and a high perceived value by the consumer. However, fast food as a segment has become more vulnerable due to higher menu prices and a slow-down of service at peak times because of increasingly complex menu offerings, which are being made to shore up specific dayparts and to go after new markets. In addition, coupons and other promotions are being offered nearly nonstop to generate traffic.

Since fast food is primarily a cash business, as is most of the eating-away-from-home market, its sales are sensitive to both real income growth and squeezes in cash flow, which may come as a result of large durables purchases. An example of such a squeeze occurred in August 1989, when consumers purchased record numbers of cars and light trucks. Because a similar situation is not expected to occur in 1990, real growth for fast food should outpace 1989's gain despite slower economic expansion and a slower increase in real income.

Further attempts to increase the availability of home delivery beyond the pizza sector are expected in 1990. Also, there will be increased use of limited-time offers of specific items on the menu as a promotion vehicle to generate traffic.

Sales at **restaurants and lunchrooms** are estimated to reach $77.2 billion in 1990—a 5.4 advance from 1989. Real growth in 1990 is projected at a rate of 1.0 percent—up from the 0.7 percent real growth rate in 1989. One major reason for continued growth, even if at a low rate, is that food away from home is not considered a luxury but rather an important component of today's lifestyle. Everyday patterns of behavior are changing, and the fundamental need for convenience is driving consumers to maintain their eating-out/takeout frequency. This change in behavior, stimulated in part by the pervasiveness of the two-earner household, means that a steadily increasing share of the total food dollar is being spent on meals and snacks prepared outside the home.

Competition among restaurants is intense. More restaurants are opening in neighborhoods, which hurts the dinner business of downtown restaurants. The restaurant environment has changed significantly because of the magnitude of competition directly resulting from an increasing number of eating places. With the pinch on consumer incomes, individuals are looking for more value for their money. In terms of price increases, upscale restaurants with a more formal atmosphere have been troubled by the change in consumer attitude away from free spending to comparative frugality—a change initiated as a result of the stock-market crash in October 1987. However, casual dining is gaining in popularity at a rapid rate—a 7.5 percent traffic gain between 1986 and 1988, according to CREST* data. This trend will continue to contribute to sales growth well into the next decade.

Ice cream and frozen-custard stands will record the third-best overall performance among eating places in 1990, due to the popularity of frozen yogurt and demand for premium ice cream. Sales are projected to reach nearly $2.2 billion—a 7.2 percent gain—up from $2.0 in 1989. In real terms, sales should advance 2.8 percent.

Commercial cafeteria sales are forecast to advance to $4.4 billion in 1990—a 5 percent increase over 1989. However, after adjusting for inflation, sales are projected to advance a slim 0.6 percent in 1990. The economic performance of cafeterias continues to be puzzling as they are well-positioned to take advantage of the consumer desire for food variety, value for the price and control over the composition of the meal taken to the table. Some major chains have responded with upgraded facilities, enhanced takeout services and value promotions. The long-term outlook for cafeterias is more positive than the short-term one.

Social caterers' sales are projected to climb a healthy 7.8 percent in 1990 to reach $2.2 billion, up from $2.1 billion in 1989. Real sales should rise 3.4 percent. With increasing emphasis on activities at home, social catering is perceived as a convenient way to entertain.

Sales at **bars and taverns** will reach $9.0 billion in 1990, virtually equal to the $8.98 billion in 1989. Sales are expected to increase only 0.3 percent in 1990, and after adjusting for inflation, sales will be down 4.3 percent. Increasing social pressure to drink moderately and a declining number of drinking establishments are responsible for the negative real growth in this segment.

**CREST stands for Consumer Reports on Eating Share Trends, a diary survey conducted by one of the NPD marketing and research companies.*

Foodservice industry food and drink sales projected to 1990

	1987 Estimated F&D sales ($000)	1989 Projected F&D sales ($000)	1990 Projected F&D sales ($000)	1989–1990 Percent change	1989–1990 Percent real growth change	1987–1990 Compound annual growth rate
Group I—Commercial Feeders[1]						
Eating places						
Restaurants, lunchrooms	$ 65,389,229	$ 73,235,148	$ 77,189,846	5.4%	1.0%	5.7%
Limited-menu restaurants, refreshment places	56,359,221	65,529,362	70,379,987	7.4	3.0	7.7
Commercial cafeterias	3,738,014	4,152,436	4,360,058	5.0	0.6	5.3
Social caterers	1,766,458	2,089,014	2,251,957	7.8	3.4	8.4
Ice cream, frozen-custard stands	1,735,592	2,033,680	2,180,105	7.2	2.8	7.9
Total eating places	$128,988,514	$147,039,640	$156,361,953	6.3%	1.9%	6.6%
Bars/taverns	8,771,229	8,982,686	9,009,634	0.3	−4.3	0.9
Total eating & drinking places	$137,759,743[2]	$156,022,326	$165,371,587	6.0%	1.6%	6.3%
Food contractors						
Manufacturing & industrial plants	$ 3,041,957	$ 3,655,370	$ 3,943,779	7.9%	3.5%	9.0%
Commercial & office buildings	1,063,465	1,239,264	1,335,926	7.8	3.4	7.9
Hospitals & nursing homes	1,348,436	1,572,749	1,711,151	8.8	4.4	8.3
Colleges & universities	2,057,454	2,426,232	2,700,784	11.3	6.0	9.5
Primary & secondary schools	988,436	1,158,803	1,225,052	5.7	1.5	7.4
In-transit foodservice (airlines)	1,067,654	1,285,502	1,406,339	9.4	5.7	9.6
Recreation & sports centers	1,508,072	1,724,969	1,838,817	6.6	2.2	6.8
Total food contractors	$ 11,075,474	$ 13,062,889	$ 14,161,848	8.4%	3.9%	8.5%
Lodging places						
Hotel restaurants	$ 10,263,299	$ 11,853,052	$ 12,684,284	7.0%	2.6%	7.3%
Motor hotel restaurants	789,780	883,214	936,207	6.0	1.6	5.8
Motel restaurants	1,274,954	1,404,296	1,467,489	4.5	0.1	4.8
Total lodging places	$ 12,328,033	$ 14,140,562	$ 15,087,980	6.7%	2.3%	7.0%
Retail host restaurants[3]	$ 7,826,994	$ 9,457,060	$ 10,326,297	9.2%	4.8%	9.7%
Recreation & sports[4]	2,212,921	2,550,506	2,735,834	7.3	2.9	7.3
Mobile caterers	664,722	757,460	799,120	5.5	1.1	6.3
Vending & nonstore retailers[5]	4,551,070	5,186,108	5,445,413	5.0	0.6	6.2
TOTAL GROUP I	**$176,418,957**	**$201,176,911**	**$213,928,079**	**6.3%**	**1.9%**	**6.6%**
Group II—Institutional Feeders—business, educational, governmental or institutional organizations that operate their own foodservice						
Employee foodservice[6]	$ 1,976,272	$ 1,941,619	$ 1,912,108	−1.5%	−5.8%	−1.1%
Public & parochial elementary, secondary schools	3,189,407	3,544,167	3,703,654	4.5	0.6	5.1
Colleges & universities	3,352,208	3,699,289	3,836,163	3.7	−0.8	4.6
Transportation	885,417	1,077,893	1,190,951	10.5	6.8	10.4
Hospitals[7]	7,436,091	8,326,892	8,784,871	5.5	1.5	5.7
Nursing homes; homes for aged, blind, orphans, and the mentally & physically disabled[8]	3,224,663	3,627,546	3,819,806	5.3	1.8	5.8
Clubs, sporting & recreational camps	1,877,757	2,160,245	2,322,421	7.5	3.2	7.3
Community centers	487,558	590,083	641,420	8.7	5.2	9.6
TOTAL GROUP II	**$ 22,429,373**	**$ 24,967,734**	**$ 26,211,394**	**5.0%**	**0.9%**	**5.3%**
TOTAL GROUPS I & II	**$198,848,330**	**$226,144,645**	**$240,139,473**	**6.2%**	**1.8%**	**6.5%**
Group III—Military Feeders[9]						
Officers' & NCO clubs ("Open Mess")	$ 633,471	$ 705,736	$ 745,257	5.6%	1.2%	5.6%
Foodservice—military exchanges	331,653	372,644	395,375	6.1	1.7	6.0
TOTAL GROUP III	**$ 965,124**	**$ 1,078,380**	**$ 1,140,632**	**5.8%**	**1.4%**	**5.7%**
GRAND TOTAL	**$199,813,454**	**$227,223,025**	**$241,260,105**	**6.2%**	**1.8%**	**6.5%**

Footnotes:

1. Data are given only for establishments with payroll.
2. Food and drink sales for nonpayroll establishments totaled $3,794,160,000 in 1987.
3. Includes drug and proprietary store restaurants, general-merchandise-store restaurants, variety-store restaurants, food-store restaurants, grocery-store restaurants, gasoline-service-station restaurants and miscellaneous retailers.
4. Includes drive-in movies, bowling lanes and recreation and sports centers.
5. Includes sales of hot food, sandwiches, pastries, coffee and other hot beverages.
6. Includes industrial and commercial organizations, seagoing and inland-waterway vessels.
7. Includes voluntary and proprietary hospitals; long-term general, TB, mental hospitals; and sales or commercial equivalent to employees in state and local short-term hospitals and federal hospitals.
8. Sales (commercial equivalent) calculated for nursing homes and homes for the aged only. All others in this grouping make no charge for food served either in cash or in kind.
9. Continental United States only.

(continued from page 23)

The Consumer Price Index (CPI) is forecast to advance 4.4 percent in 1990, compared to a higher 4.9 percent in 1989.

In sum, as the foodservice industry enters a new decade, the economic outlook is for continued positive—although sluggish—growth. Even though the economy will be growing at a slower pace and the rate of gain for consumer income will be more modest, foodservice is expected to perform slightly better in 1990 than in 1989. With much more modest gains in durables purchasing expected, the consumer's cash on hand should not be squeezed to the extent it was in 1989. For example, in response to exceptional incentives, many customers shifted automotive purchases forward to 1989; these incentives are unlikely to be repeated in 1990. Therefore, the desire to maintain frequency of foodservice patronage should prevail, and growth should improve slightly.

A NEW APPROACH TO DEMOGRAPHICS

Much has been written about the population getting older, "baby boomers" settling down and having families, and more couples becoming "empty nesters." Census Bureau projections confirm that baby boomers, who now are roughly 25 to 44 years of age, will make up one-third of the U.S. population in 1990. Moreover, the most rapidly growing population groups from 1990 to 1995 are expected to be those with individuals between 35 and 54 years of age and those with individuals 75 years of age and older. On the other hand, the number of young adults should continue to decline.

Spending for food away from home by age of household head, 1987

Households headed by individuals less than 25 years of age allocated the highest portion of their food budgets to purchasing food away from home

Age of household head	Average household size	Weekly spending per capita	Percent of weekly food budget	Number of households (000)	Percent of household spending on food away from home
Total households	2.6	$9.08	37.2%	94,062	100.0%
Under 25 years	1.8	9.97	47.4	8,199	6.6
25–34 years	2.8	9.02	40.0	21,782	24.8
35–44 years	3.4	9.42	40.0	18,923	27.3
45–54 years	2.9	9.71	36.2	13,167	16.7
55–64 years	2.3	9.79	34.0	13,021	13.2
65–74 years	1.8	8.69	30.3	11,122	7.8
75 years old and older	1.6	6.26	26.1	7,849	3.5

Source: Bureau of Labor Statistics, *1987 Consumer Expenditure Diary Survey*

A recent J. Walter Thompson (JWT) study takes this demographic information a bit further by identifying "lifestage groups" that are helpful in understanding tomorrow's customers. These lifestages add a new dimension to population trends.

According to the JWT study, mature parents (those with teenage and adult children living at home) and empty nesters (parents whose children have moved out of the house) are the two largest groups in terms of numbers and wealth; they accounted for nearly 40 percent of adults in 1988 and 45 percent of income. Between 1988 and 1995, the study estimates that the number of mature parents will increase to 41 million (up 24 percent) and the number of empty nesters will grow to 36 million (up 14 percent).

Because of their numbers, income and ability to spend for food away from home, both of these groups are extremely important to the restaurant industry. Mature parents have more freedom than younger parents, because their children are self-sufficient—although they are likely to have large financial commitments. Empty nesters, on the other hand, tend to have more discretionary income because their children have completed college and are supporting themselves.

The third most numerous lifestage—"young parents"—accounts for 17 percent of adults. This isn't surprising considering that the fertility rate, especially for women in their thirties, was significantly higher in 1987 than it was in 1980 or 1976. According to the Census Bureau, only 10 percent of women between 18 and 34 years of age in 1988 expected to remain childless. This, no doubt, explains the projected 5 percent increase in young parents between 1988 and 1995.

For young parents, finding ways to make life easier is a primary objective, because in most cases both parents work. Not only does workforce participation mean less time for other activities, it also means that having a child no longer equates with a drastic decline in income while the new mother is raising her child. Less time to cook combined with more income means that couples who might have been forced to cut back on dining out if the wife left the labor force no longer find this necessary. Rather, they may find foodservice a convenient and affordable alternative to cooking at home. Both young couples and young parents are prime targets for high-quality takeout and delivery to meet their convenience needs and their quality expectations.

In addition, more amenities for children, such as children's menus and high chairs, will be important to these patrons. The National Restaurant Association's study *Tableservice Restaurant Trends* found that 67 percent of adults surveyed expressed an interest in children's menu items, with women and 25 to 34-year-olds showing the greatest interest in these offerings.

Two other groups—single parents and left-alone singles—are expected to post substantial numerical gains in the early 1990s; but they are fewer in number, control far less income and spend less on food away from home.

Characteristics of lifestages groups in 1988

Mature parents and empty nesters make up the largest portion of the population

Segment	Mean age	Size in millions	Percent of adults	Income share in billions ($)	1995* size in millions
At-home singles	22	23	14%	$179	20
Starting-out singles	26	7	4	117	6
Young couples	29	11	7	195	10
Young parents	32	29	17	478	30
Single parents	41	12	7	157	14
Mature singles	45	8	5	165	9
Mature parents	47	33	20	650	41
Empty nesters	62	32	19	520	36
Left-alone singles	70	12	7	154	15

**projected*

Source: J. Walter Thompson, USA, 1989

Although the number of adult single parents is expected to grow by 14 percent between 1988 and 1995, it is important to realize that a large percentage of them cannot afford major expenditures for eating out. The Census Bureau reports that the average family income in 1988 for children under 18 living only with their mother (as 88 percent of children in single-parent households do) was $11,989, compared with $23,919 for those living only with their father and $40,067 for those living with both parents. Moreover, the 1987 Consumer Expenditure Survey showed that single parents spend 32 percent—or $16.52—of their weekly food budget on food away from home. This compares with 36 percent, or $28.18 per week, for all husband-and-wife families.

Another rapidly expanding group, "left-alone singles," is expected to grow 21 percent between 1988 and 1995, reaching 15 million and representing nearly one in 12 adults. According to JWT, left-alone singles (widows, widowers and divorcees) are rather adventurous, with many expressing an interest in shopping malls, travel and restaurants. Nevertheless, their share of income amounts to just 5 percent of the total.

Lifestage characteristics

At-home singles:

☐ Young singles still living at home

☐ Average age 22; mean personal income $7,913

☐ One-third students; almost two-thirds employed

☐ The most difficult lifestage segment to reach through traditional media

Starting-out singles:

☐ Young singles who have left home

☐ Average age 26; mean personal income $17,829

☐ Two-thirds live in multiple-person households

☐ Much of the income of this group goes to "start-up" costs in establishing own households

Mature singles:

☐ Older, never-married or separated/divorced singles

☐ Average age 45; median personal income $20,713

☐ Many feel alienated from their married counterparts, but they travel and spend a lot of time out of the house

Left-alone singles:

☐ Seniors who have lost their spouses or are separated or divorced

☐ Average age 70; median personal income $12,765

☐ Most (77 percent) are women

☐ This group has a disproportionate number of financial investments

☐ The most diet and health-conscious of any segment

☐ Many enjoy going to malls and parks

Young couples:

☐ Young, recently married couples with no children

☐ Average age 29; mean household income $37,213

☐ Predominantly two-earner households

☐ Heavy users of takeout restaurants

Empty nesters:

☐ Older couples whose children have grown up and left home

☐ Average age 62; mean household income $32,394

☐ Half are employed, 30 percent are retired and the rest are self-designated female homemakers

☐ This group will account for four out of five couples by 1995

Young parents:

☐ Married parents whose oldest child is a pre-teen

☐ Average age 32; mean household income $35,434

☐ Most are two-earner households and are heavily dependent on convenience products and services

Mature parents:

☐ Married parents whose oldest dependent child is a teenager or an adult

☐ Average age 47; mean household income $45,460

☐ 42 percent have single children living with them

☐ Many still spend heavily on their children; but more for college-type gifts, including tuition

Single parents:

☐ Unmarried parents raising their own children

☐ Average age 41; mean household income $20,027

☐ Three out of four are women

☐ 72 percent report they are "just making ends meet"

☐ Members of this group want to be thought of as singles

Source: J. Walter Thompson, USA, 1989

At-home singles and young couples are noteworthy as well. Although they are declining in numbers, at-home singles spend a relatively large proportion of their food dollar away from home. There is a high incidence of dual earners within the young-couples category, as both men and women establish their careers before starting families. These couples tend to be more affluent than their parents were at this stage of their lives. This group is active, but is also prone to "nest-building" behavior, spending money on items for the home. Although they show a reliance on restaurant takeout, their numbers are expected to decrease 7 percent between 1988 and 1995.

Minorities will grow in influence

Because of their growing numbers, minorities will exert more influence in the United States in the years ahead. By 1990, the black population is expected to number 31.2 million or 12.4 percent of the population. The Hispanic population should increase to over 20 million, and the Asian population is forecast to number 6.5 million—up nearly 89 percent from 1980.

All three minority groups are expected to grow at faster rates than the white population in the years ahead. The Census Bureau projects that the white population will grow by 5.2 percent between 1990 and 2000. In comparison, the black population is expected to grow 12.8 percent, the Hispanic population 26.8 percent and the Asian population 50.7 percent. Moreover, all three minority groups are becoming better educated and wealthier, so they present new, lucrative markets for restaurateurs.

CONSUMER ATTITUDES

In an increasingly competitive environment it is essential to know what motivates consumers, especially when it comes to such major industry concepts as takeout and delivery, casual dining and ethnic foods.

Takeout and delivery

Since 1984 purchases of meals and snacks for off-premises consumption via carryout, drive-thru and delivery have driven industry growth. This growth has slowed recently, but CREST data indicate that off-premises traffic now represents 45 percent of the industry total—up from 39 percent in 1984.

Although 18 percent of adults patronize foodservice establishments for takeout or delivery on a typical day, the likelihood of doing so is much greater among younger consumers than it is among those 50 years old and older. Nearly 30 percent of 18 to 24-year-olds and more than 20 percent of 25 to 49-year-olds purchase takeout on a typical day, according to the National Restaurant Association's Foodservice Market Measure. Only 8 percent of those over 50 are takeout customers.

The association's study *Dinner Decision Making* helps explain how today's lifestyles and attitudes influence this off-premises phenomenon. Consumers purchasing dinner carryout from a restaurant or fast food place are most often tired and pressed for time. They want to eat without any hassle. They are looking for the easiest thing available or they may be driven by the desire for a certain type of food. A craving is the most common motivation behind dinner delivery, and pizza has an overwhelming share.

The five top-ranking restaurant attributes involved in the decision to purchase carryout or delivery items are:

For carryout:
- ☐ speed of service
- ☐ convenience of location
- ☐ food quality
- ☐ price range
- ☐ value for dollar

For delivery:
- ☐ speed of service
- ☐ food quality
- ☐ price range
- ☐ fresh ingredients
- ☐ consistency

Although fast food is the dominant provider of off-premises meals, there is room for tableservice restaurants to expand their offerings. Nearly half of adults under the age of 50 report they would be likely to purchase ready-to-eat takeout meals if only they were available from tableservice restaurants in their area.

Despite a recent slowdown in growth, the off-premises phenomenon clearly has become an American way of life that is even more popular among young adults 18 to 24 years old than it is among the baby-boom generation. Nevertheless, it is important for restaurants to recognize that the same motivations involved in purchasing takeout or delivery from a restaurant or fast food place are also involved in purchasing prepared food from a grocery store or deli. Thus the competition promises to intensify as grocery stores and other retailers focus greater attention on capturing a bigger share of the consumer's off-premises expenditures.

Casual dining/ moderate price

Food
- ☐ simple, uncomplicated preparations
- ☐ few courses
- ☐ ethnic and regional dishes
- ☐ emphasis on freshness
- ☐ variety for all appetites

Service
- ☐ informal
- ☐ male and female servers
- ☐ aprons rather than tuxedoes

Ambience
- ☐ comfortable rather than elegant
- ☐ good for conversation
- ☐ no jackets required
- ☐ accommodates children

Menus
- ☐ welcome children
- ☐ one menu for lunch and dinner
- ☐ convey relaxed atmosphere
- ☐ often have takeout

Casual dining

As the baby-boom generation matures, it is starting to fuel greater interest in casual dining at tableservice restaurants. Casual dining equates with moderate prices. Just as they helped

Spotlight on interiors

Because consumers have an almost unlimited choice when it comes to selecting a restaurant, many operators are making a greater effort to use decor to differentiate their establishments from their competitors and to retain their competitive edge. Moreover, updating the kitchen and dining area can be a labor-saving strategy as well.

It is not surprising, therefore, that the National Restaurant Association's annual *Industry Operations Survey* reveals higher-than-average increases in expenses related to painting and decorating. Moreover, nearly half of the tableservice restaurants with dinner checks of $8 or more that participated in the association's *Tableservice Operator Survey* reported that they had remodeled their dining room in 1988 or were planning to do so in 1989.

Instead of formal table settings, starched tablecloths and an elegant atmosphere, many of today's remodeled restaurants are more casual, comfortable and relaxed. They do not have a dress code and they accommodate children comfortably.

spur dramatic growth in the fast food segment in the 1960s and 1970s, it seems that baby-boomers' lifestyles and attitudes will continue to have a significant effect on tableservice restaurants as well.

When the numerous first wave of post-World War II babies—now in their late thirties and early forties—were young working singles eager to experiment, new restaurant concepts and ethnic discoveries abounded.

Now it looks as though these experienced restaurant customers, who have a strong awareness of value for the dollar, are beginning to make their needs known as they move into their prime income-producing years.

Although evidence is sparse, an analysis of CREST demographic data from 1986 and 1988 indicates that baby boomers are responsible for a decreasing share of the dollars spent at higher-check upscale restaurants and an increasing share of dollars spent at moderate-check upscale restaurants, especially in the casual-dining group.

No doubt cost-consciousness plays a major role in casual dining. Increasing demands are being placed on their incomes as baby boomers marry, acquire homes and have children. But casual dining apparently reflects generational differences in attitudes as well. Moderately priced, casual dining is based on relatively simple food preparations and a variety of menu items geared to all sizes of appetites. Generally, the decor and service create a relaxed, comfortable ambience. Usually the casual restaurant does not require jackets for men and accommodates children with ease.

Casual dining is especially popular with consumers looking for a "nice meal out" as opposed to cooking at home. The decision for this type of meal is made several hours or just before dinner. Because these consumers anticipate the pleasure of good food and service, they choose places rated high on all the restaurant basics—consistent, high-quality food with plenty of variety, good-sized portions, friendly and speedy service with no lines or waiting and, especially, value for the money.

Ethnic popularity

Clearly the taste for ethnic dishes is not yet sated, as is demonstrated by the long-term gain in traffic at Italian restaurants—up more than 50 percent from 1982 to 1988. Italian, Chinese and Mexican dishes are the three most popular ethnic foods at restaurants. The National Restaurant Association's recent consumer study *The Market for Ethnic Foods* reveals that 16 other ethnic cuisines also have devoted followings of loyal customers, as well as considerable appeal among consumers who have never tried them in the past.

Certainly consumer attitudes regarding ethnic foods reflect opportunities for further expansion. For example, approximately half of all adults say they would try more ethnic dishes if they were available at restaurants and they would like to see more of such dishes at family or moderately priced restaurants. There are also plenty of consumers who want to experiment when they eat out; 45 percent say they like to try items they've never eaten before, and a similar proportion vote for hot and spicy ethnic dishes. In addition, takeout remains underdeveloped for many ethnic cuisines and could be an area of growth in the years to come.

FOOD AND BEVERAGE TRENDS

After two decades of enjoying haute cuisine and nouvelle cuisine, restaurant patrons seem to be returning to simpler foods prepared without fuss. Foods with roots in the 1950s and 1960s are reemerging, embellished by cooks who learned from the experimental phase of the 1970s and 1980s. Traditional sandwiches accented with flavored mayonnaise, pasta with grilled vegetables and smoked-chicken salad are a few examples of menu items that are satisfying today's patrons (see "1989 Menu Analysis"). This trend, plus the movement toward more casual establishments, may be fueled by patrons' concern about the value they receive for their dollar.

Consumers of the 1990s are likely to be more enthusiastic about trying new foods. Interest in Mediterranean foods could move west, with Portuguese and Brazilian foods making inroads. These flavorful foods from nations with a festive image could prove to be the next ethnic darlings. Considering the thaw in the Cold War and the Soviet Union's policy of perestroika, we also may witness creative chefs experimenting with Eastern European and Russian cuisines.

Over the last 20 years our food-consumption trends have favored crop products (fresh fruits, fats and oils, vegetables, grains and sweeteners). Increased consumption of produce is notable. According to the U.S. Department of Agriculture (USDA), annual per capita fresh-fruit consumption rose 26 pounds between 1972 and 1987, and the major commercial fresh vegetables (asparagus, broccoli, carrots, cauliflower, celery, corn, lettuce, tomatoes, onions and shallots) gained nearly 14 pounds. Expect to see an even wider variety of produce available in the future as farmers and agricultural scientists experiment with cross-development of plants, plant more nontraditional crops and expose consumers to lesser-known varieties of familiar fruits. The broccoflower, a cross between broccoli and cauliflower, crab apples and black corinth (champagne) grapes are a few examples. In addition to more exotic produce, branded and organic produce is expected to expand. Growers are forming cooperatives to pool finances and develop brand recognition for commodities through advertising and promotions. As a result of the 1989 alar scare, consumers are more cognizant of pesticide use; and some are willing to pay for organic produce, which can cost as much as 200 percent more than nonorganic varieties. Wholesale revenue from organic produce in California alone has escalated from $1 million in 1977 to $50 million in 1988.

Foodservice operators continue to look for means of satisfying the demand for freshness. Since the sulfite ban, salad bars have required constant attention. Technologists are working on an alternative preservative for cut produce made from milk protein. Similar natural, edible preservative coatings are expected to be formulated using proteins from soybeans, corn and wheat. To achieve the maximum fresh-flavor enhancement, some chefs have taken to cultivating their own supply of herbs, and frozen concentrated herb blends are beginning to appear in the foodservice market.

Demand for desserts is expected to continue through 1990. After experiencing sagging sales during the early and mid 1980s, dessert orders in restaurants have been on the upswing. But operators can expect competition for dessert sales from the grocery stores. Manufacturers are meeting the demand for quality by stepping up production of premium desserts.

Patrons' fascination with frozen yogurt is another trend that has rebounded after an early 1980s slump. Doing particularly well are light and low-fat frozen yogurts and the relatively new frozen yogurts made with NutraSweet, a sugar substitute.

Beverage manufacturers are developing lower-alcohol beverages in response to changing consumer attitudes. More research has gone into developing lower-alcohol beverages in Europe. Mild vodka, light whiskey and flavored brandy-based drinks are examples of lower-alcohol options available. As they attempt to develop a low-alcohol beverage that tastes like a high-proof drink, researchers predict alcoholic beverages of the future will be slightly carbonated, and have a low-alcohol content with a refreshing but complex flavor, such as a gin/citrus combination.

On the nonalcoholic side of the beverage market, fruit and juice drinks are experiencing the greatest growth. Natural fruit-flavor seltzers and sparkling fruit juices in exotic flavors, such as passion fruit, pineapple and black currant berry, are in heavy demand—although the market for soft drinks still is strong. In fact, the diet soft-drink market is growing at a faster rate than the market for regular sodas.

Simpler preparation techniques and cooking methods are likely to remain in vogue through 1990. Smoking, grilling and barbecuing are popular cooking methods that impart flavor without adding large amounts of extra fat. Hot-rock cooking, which involves patron participation, is ideal for the tight labor market but may prove to be a passing fad due to its limited application.

The sous vide method also looked like a promising solution for the labor-short kitchen, but the Food and Drug Administration (FDA) developed strict guidelines that are likely to limit sous vide production to central facilities. Commercial producers of sous vide products are beginning to offer their foodservice lines to supermarkets under private-label programs for delis, which could influence consumers' perception of sous vide products they are eating in restaurants.

HEALTH AND NUTRITION

Americans' concern for nutrition continues to fuel food manufacturers' rush to promote food products on the strength of their nutritional benefits. Since mature adults tend to be more concerned about health and nutrition, it stands to reason that interest in nutrition will intensify as the U.S. population ages.

FDA data documents the public's growing awareness of the relationship between nutrition and health. More people are having their blood-cholesterol levels tested and are aware of the results. In 1988 almost 60 percent of adults said they had had their cholesterol measured and 17 percent were able to quote the results. According to FDA, this represents a relative increase of more than 70 percent and 600 percent, respectively, since 1983. The awareness of dietary fat as a risk factor for heart disease, cancer and high blood pressure also has grown significantly over the five years between 1983 and 1988. Fruits, vegetables, fibers and grains are the food groups most frequently cited by consumers as being cancer preventives.

As a result of heightened consumer awareness, more products and promotions focusing on nutrition are appearing in the marketplace. Oil manufacturers are capitalizing on the shift away from saturated fats. Canola oil, a relatively new cooking oil high in monounsaturated fat, is now available from nearly every manufacturer of foodservice cooking oils.

If the 1980s was the decade of oat and wheat brans, then the 1990s will surely be the decade of rice and corn brans. Sales of wheat and oat bran products skyrocketed during the late 1980s due to studies that linked them with risk reduction of colon cancer and heart disease. Similar studies are being conducted using rice and corn brans, which also seem to have cholesterol-lowering effects. The future looks bright for corn bran, because it is more plentiful and reasonably priced than oat bran. Also in the interest of the fiber-conscious public, one large grain processor is expanding production to include more barley products.

Foodservice operators, too, are responding to the trends in nutrition. A 1989 National Restaurant Association survey of fast food and family chain operators (350 or more units) shows that almost two-thirds (62 percent) are using either all-vegetable shortening or oil for frying in their operations. Less than 20 percent use an animal/vegetable (a/v) shortening blend exclusively, while 14 percent use both a vegetable fat and an a/v shortening blend. More than 70 percent of the chain operators surveyed feature entree salads or salad bars, reduced-calorie salad dressings, fruit juices, low-fat milk and decaffeinated coffee. More than one-half (52 percent) serve a grilled-chicken sandwich and 29 percent offer fresh fruit and low-fat frozen yogurt. The majority also disseminate ingredient and nutrient information regarding their products.

1989 MENU ANALYSIS

Table I: Entrees

The mix of entrees changed from 1984 to 1989

	1984		1989		Percent change in number 1984–1989
	Number	Percent of total	Number	Percent of total	
Total Entrees	1,032	100%	1,093	100%	+6%
Seafood/fish	270	26	267	24	−1
Meat (beef, pork, lamb, veal, game)	280	27	238	22	−15
Salads	76	7	119	11	+57
Mexican entrees	136	13	115	11	−15
Poultry	101	10	117	11	+16
Pasta/noodles	53	5	102	9	+92
Combination (i.e., seafood & beef)	36	3	73	7	+103
Pizza	28	3	29	3	+4
Egg dishes	37	4	24	2	−35
Miscellaneous	15	1	9	1	−40

Source: National Restaurant Association

Table II: Entree sauces

Sauces were more prevalent on the 1989 menus than on 1984 menus

	1984		1989		Percent change in number 1984–1989
	Number	Percent of total	Number	Percent of total	
Total sauces	231	100%	313	100%	+35%
Emulsion, butter and cream sauces	78	34	130	42	+67
☐Emulsions	42	18	44	14	+5
☐Butter sauces	19	8	44	14	+132
☐Cream sauces	17	7	42	13	+147
Tomato-based sauces	40	17	57	18	+43
Vegetable/herb, mustard and soy-based/Asian sauces	22	10	52	17	+136
☐Vegetable/herb	11	5	26	8	+136
☐Mustard	6	3	15	5	+150
☐Soy-based/Asian	5	2	11	4	+120
Wine/liqueur sauces	32	14	24	8	−25
Fruit sauces	14	6	21	7	+50
Gravy	24	10	17	5	−29
Au jus	12	5	7	2	−42
Fish/seafood	3	1	3	<1	0
Miscellaneous	6	3	2	<1	−67

Source: National Restaurant Association

The 1989 menu analysis looked at entrees, sandwiches, cooking methods, sauces and special features (i.e., the availability of takeout, children's selections, senior citizens' specials, etc.). This study of changes over five years (from 1984 to 1989) reflects the trend toward casual dining experiences.

For analysis, 100 menus (lunch and dinner) were randomly selected from those submitted to the National Restaurant Association's Great Menu Contest. Fifty were chosen from among the 1984 entrants and 50 from 1989.

More extensive and varied menus in 1989 offered patrons a wider selection than was available in 1984. The number of entrees and sandwiches on the menus rose by 18 percent, from 1,362 in 1984 to 1,606 in 1989. The number of entrees, excluding sandwiches, rose by 6 percent from 1,032 in 1984 to 1,093 in 1989. Over the five years the mix of entrees changed (Table I). Although fish and seafood accounted for the greatest percentage of all entrees in 1989, their contribution to the total entree mix was static over the five-year period, and the actual number of fish and seafood entrees was virtually unchanged.

Meat entrees actually declined during the same period. They composed the largest percentage—27 percent of the entrees in 1984, but only 22 percent in 1989. Moreover, the total number of meat entrees was down by 15 percent in 1989. All types of meat entrees (beef, pork, veal, lamb and game) declined in number, with the exception of pork, which was up by 31 percent.

The number of entree salads grew by 57 percent over the five years (26 to 119), as did the percentage of entrees that were salads (from 7 percent to 11 percent). Major gains were made by Cobb, Caesar, pasta and chicken salads, all of which gained more than 100 percent. Seafood and chef's salads accounted for the largest percentage of salads in both 1984 and 1989, but they both declined slightly over the years as percentage of total salads (seafood: from 24 percent of salads in 1984 to 21 percent in 1989; chef's: from 20 percent to 15 percent).

The number of Mexican entrees declined by 15 percent from 1984 to 1989; while Mexican foods made up 13 percent of the entrees in 1984, but only 11 percent of entrees in 1989 (Table I). Egg dishes, too, were less prevalent on the 1989 menus than 1984, falling from 4 percent to 2 percent of entrees and declining in number by 35 percent. Pasta and noodle dishes, combination plates (beef and seafood, chicken and ribs, etc.) and poultry all gained presence on the 1989 menus. The number of combination dishes rose by 103 percent (from 36 in 1984 to 74 in 1989); they represented 3 percent of entrees in 1984 and 7 per-

Table III: Cooking methods*

In 1989 broiling, charbroiling and grilling accounted for 44 percent of the cooking methods mentioned

	1984		1989	
Method	**Rank**	**Percent of total**	**Rank**	**Percent of total**
Broil/charbroil	2	21	1	25
Grill/mesquite grill	4	8	2	19
Fry	1	24	3	18
Saute	3	20	4	16
Bake	5	5	5	5
Roast/split roast	4	8	6	4
Smoke	9	<1	7	3
Steam	6	3	8	3
Barbecue	7	2	9	2
Blackened	8	1	10	1
Hot rock	–	0	10	1
Pan fry	8	1	10	1
Stir fry	9	<1	10	1
Boil	9	<1	11	<1
Braise	8	1	11	<1
Poach	8	1	11	<1
Simmer	–	0	11	<1
Toasted	–	0	11	<1

*Only those methods mentioned in menus

Source: National Restaurant Association

cent in 1989. Pasta and noodle dishes moved from 5 percent of entrees in 1984 to 9 percent in 1989, and they increased in number by 92 percent. Poultry rose only slightly from 10 percent to 11 percent of total entrees, but there was a 16 percent increase in the number of poultry entrees. Furthermore, chicken breasts gained a larger presence within the category. In 1989 chicken breasts made up 68 percent of the poultry entrees, compared to 1984, when they accounted for only 40 percent. In number, they nearly doubled (from 40 to 79).

When compared to the gain made by sandwiches, the increase in entrees seems modest. The number of sandwiches offered grew 55 percent—from 330 in 1984 to 513 in 1989. Hamburgers and cheeseburgers accounted for the largest percentage of sandwiches in 1989 (27 percent), but chicken sandwiches witnessed the greatest growth in this category; they climbed from 4 to 7 percent of sandwiches and increased in number by 185 percent. Beef, club, and mixed meats and cheese sandwiches also gained substantially in both number and as percentage of total sandwiches.

Sauces were more prevalent on the 1989 menus than on the 1984 menus; 313 sauces appeared in 1989—up 35 percent from 213 in 1984 (Table II). Emulsified sauces, butter sauces and cream sauces held the largest share of the sauce category in both 1989 (42 percent) and 1984 (34 percent). In number they gained 67 percent, but the number of cream sauces alone grew by 147 percent. Tomato-based sauces were the second-most-prevalent, representing 18 percent of sauces in 1989 and 17 percent in 1984, and experiencing a 43 percent growth in number over the five years. Flavor-intensive sauces, vegetable/herb, mustard and soy-based/Asian sauces gained presence between 1984 and 1989, growing from 10 percent to 17 percent of the total and by 136 percent in number. Fruit sauces gained slightly from 1984 to 1989, but wine and liqueur sauces fell considerably. Both gravy and *au jus* sauces declined in presence, a change consistent with the decline of meat entrees.

Cooking methods used on the entrees also were compared (Table III). Cooking methods were cited more often on the 1989 menus (549 times) than on the 1984 menus (459 times). In 1989 broiling and charbroiling were the most prevalent cooking methods, accounting for one-quarter of the cooking methods mentioned—up from 21 percent in 1984. Grilling was the second-most-frequently-mentioned cooking method on the 1989 menus, at 19 percent—up from only 8 percent in 1984. Although frying was the most common cooking method on the 1984 menus (24 percent), it represented only 18 percent of the cooking methods listed on the 1989 menus. Sauteing also appeared less frequently in 1989 than in 1984. In contrast, smoking appeared more frequently on the 1989 menus than in 1984 (3 percent versus less than 1 percent), but roasting and spit-roasting appeared less frequently, accounting for 8 percent of the cooking methods mentioned on the 1984 menus and 4 percent in 1989. The frequency of baking, steaming, barbecuing and blackening remained constant.

Various menu features (items other than food) also were examined. Thirty percent of the 1989 menus provided information about the side dishes that accompanied entrees, while only 18 percent of the 1984 menus had such information. Another 30 percent offered choices of portion sizes on prime rib and/or steak entrees, while 20 percent of the 1984 menus had this option. Children's selections were available on 22 percent of the 1984 menus and 18 percent of the 1989 menus. One of the 1984 menus even offered free food for children under six years of age. Takeout and/or delivery services were promoted on 14 percent of the 1989 menus, versus 6 percent in 1984. Only slightly more menus indicated "light and healthy" foods on menus in 1989 than in 1984 (12 percent versus 10 percent).

Discussion of results

The trend toward casual dining is reflected in the results of this survey. Sandwiches grew more dramatically than entrees. Unlike other meat entrees, hamburgers, cheeseburgers and other beef sandwiches gained presence on the 1989 menus, as did the availability of salads, pasta dishes and chicken breasts. Cooking methods popular in casual-dining and midscale restaurants—broiling/charbroiling, grilling and smoking—also gained menu presence.

More foods and a wider variety reflect the foodservice industry's response to the demand for more choices. The growth of combination entrees is indicative of the quest for variety, while the increased vegetable/herb, mustard and soy-based sauces satisfies cravings for flavor-intensive accompaniments.

A tendency among chefs to serve sauces on the side allows patrons to control the use of the sauce and to make yet another choice themselves.

Patrons do seem to be receiving more information from menus now than five years ago, especially regarding accompaniments and portion sizes. The growth in the number of cooking methods cited on the menus reflects the demands of patrons who are more interested in how their food is prepared. Although mentions of takeout foods appeared on more menus in 1989 than in 1984, there is plenty of room for growth in this area.

INDUSTRY OPERATIONS

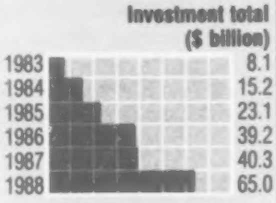
According to a National Restaurant Association Delphi study, competition in the foodservice industry will be more intense by the turn of the century. Indications are that the trend toward a more competitive environment is already under way.

Competition heats up

According to the Census of Retail Trade (1987), between 1982 and 1987 the number of eating and drinking places increased more than 11 percent to 391,303 establishments. This heralds a significant change in the restaurant environment. The trend toward a more competitive environment is directly related to the ever-increasing number of eating places.

Foreign investments in the United States

Foreign investments increased sharply in 1988



Source: Department of Commerce, Bureau of Economic Analysis

The unit expansion rate for tableservice restaurants in the 1980s was virtually identical to that posted by fast food restaurants. The number of tableservice restaurants was up at a compound annual rate of 2.7 percent, or more than 19,000 units between 1982 and 1987. This compares to a significantly slower expansion rate of 1.8 percent in the previous 10 years. Fast food units were up by about 18,500 for a compound annual gain of 2.9 percent in the five years from 1982 to 1987—down substantially from their 5.1 percent annual rate of expansion between 1972 and 1982.

Number of establishments

Tableservice restaurants posted a higher unit expansion rate in the 1980s

	Tableservice	Fast food
1972	112,656	72,850
1982	135,231	119,626
1987	154,721	138,104
Compound annual growth		
1982/1972	1.8%	5.1%
1987/1982	2.7%	2.9%

Source: Census of Retail Trade

This dramatic gain in tableservice establishments reflects a major change occurring in the industry—the reemergence of the neighborhood restaurant and the more recent growth in casual dining. No doubt many of these new tableservice restaurants are smaller independents run by chef/entrepreneurs as well as ethnic establishments operated by immigrants.

1990 operation costs

Menu prices are forecast to increase 4.4 percent in 1990, equal to the projected increase in the overall Consumer Price Index (CPI). The anticipated 1990 increase is slightly below the 4.6 percent gain in menu prices recorded during 1989. Annual increases in menu prices have held below 5 percent since 1982.

☐ **Food:** Wholesale food prices should increase at a slower pace in 1990—3.5 percent, compared with 5.1 percent in 1989. Barring any severe weather conditions, feed-grain prices, which had been elevated through 1989, are projected to decline somewhat in 1990 and moderate advances in meat prices. On an individual basis, chicken prices, which jumped in early 1989 but started to decline later in the year, are expected to hold steady in 1990. Beef, veal and pork should post increases similar to those for 1989. Fish and seafood prices, which declined in 1989 because of an abundant supply (particularly of salmon and shrimp) and somewhat lower consumer demand, should maintain their current levels and not show any dramatic change.

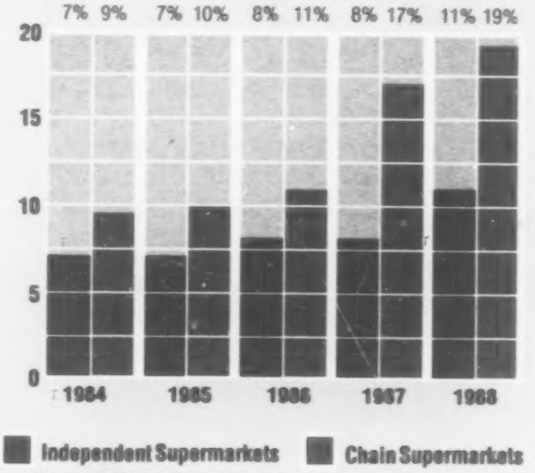
In addition, cheese and other dairy products could show larger price increases in 1990, because surplus milk supplies declined in 1989. Processed fruits may show a price increase in 1990 due to a citrus-fruit freeze in 1989, which decreased the available supply. The increase should not be seen among fresh fruit. Prices for processed vegetables are expected to remain high in 1990 because there is no surplus. If the weather remains favorable, fresh-vegetable price increases should slow.

☐ **Labor:** Industry labor costs are expected to be up 6.5 percent in 1990—a bigger increase than the 4.2 percent advance in 1989—as the new federal minimum wage takes effect in April. Federal or state legislation on benefits could put upward pressure on labor costs in 1990 as well. A tight labor market, resulting in difficulties in filling back-of-the-house positions, could put additional upward pressure on wages in some regions. Higher training costs are expected as restaurateurs try to increase productivity and decrease turnover rates.

☐ **Other costs:** Other costs are projected to rise 4.4 percent in 1990, keeping pace with the anticipated overall inflation rate. An influential factor in other costs will be solid-waste removal, the cost of which is spiraling at double-digit rates in some parts of the country. Energy prices are expected to increase at a moderate rate. Property insurance rates could increase at higher-than-inflation levels, due to damage from hurricane Hugo and the California earthquake.

Percent of supermarkets with sit-down eating

Restaurant presence in supermarkets has been steadily increasing.



Source: *Progressive Grocer's* Annual Reports

Restaurants in larger grocery stores on upswing

More and more supermarkets are offering some type of sit-down eating place inside their establishments. In 1988, 15 percent of supermarkets offered some type of sit-down eating, up from only 4 percent in 1980, according to *Progressive Grocer's* annual report.

Not surprisingly, larger, high-volume supermarkets—both chains and independents—are more likely than smaller stores to have in-store dining. Twenty-four percent of independent stores and 39 percent of chain units with selling areas of more than 35,000 square feet had sit-down eating in 1988. The figures were significantly lower for chain and independent stores with selling areas of less than 25,000 square feet. Smaller stores generally cannot spare the space for a restaurant.

This faster-than-expected expansion rate in the tableservice sector also helps explain why some tableservice operators have reported virtually no real sales growth in recent years. More and more tableservice establishments are competing in a market where demand is not increasing rapidly enough for an increased number of establishments to enjoy real growth. This competitive environment makes operational excellence and providing good value even more important, because the consumer has virtually unlimited restaurant choices.

Service

The 1980s brought a renewed interest in service, and this trend is expected to continue into the 1990s. According to the National Restaurant Association's dinner decision-making study, friendly people/service was one of the most important factors in a consumer's decision to dine at a particular restaurant. Friendly people/service was rated by consumers to be more important than food consistency and variety when dining at a tableservice establishment.

In addition to personal attention, today most tableservice restaurants offer convenience-oriented services, such as carryout or home delivery. According to the National Restaurant Association's *1989 Tableservice Restaurant Trends*, nearly nine out of 10 tableservice places with per-person dinner checks averaging less than $8 provide carryout meals, and 82 percent of those in the $8 to $14.99 category do so. Even 38 percent of upscale places with average checks of $25+ will provide ready-to-eat takeout meals upon request. Additionally, to further accommodate the consumer, approximately one-third of tableservice restaurants will provide their bakery items for retail sale or sell items such as salads or soup by the pound.

Operators look abroad

With some domestic markets at or near saturation levels, many foodservice operators are turning their attention to the international marketplace. U.S. restaurant chains are rapidly expanding into foreign markets, seizing the opportunity to maintain their target rates of growth for their corporations through non-U.S. markets.

By the same token, as with many other industries, there has been a greater influx of investments in U.S. foodservice from abroad. According to the United States Department of Commerce, outlays by foreign investors to acquire or establish U.S. business enterprises increased sharply to $65.0 billion in 1988—up from $40.3 billion in 1987. The Department of Commerce reports that foreign investment in the United States has been driven by the lower value of the dollar in international markets as well as by foreign companies seeking new consumer markets.

LABOR TRENDS

Over the next decade the workforce will increase at a slower rate than at any time since the 1930s and the foodservice industry will be affected by tighter labor markets, especially for younger workers.

Two major factors that determine labor-force growth are changes in population and labor-force participation rates. The continuing decline of the teenage population will have a negative effect on the many industries which, like foodservice, rely heavily on young workers. The teenage population is expected to continue to fall—dropping 4 percent between 1985 and 1990 and another 1.5 percent by 1995. It isn't until the second half of the 1990s, when the "baby-boom echo" generation reaches a working age, that businesses will see increasing numbers of teenage workers (individuals between the ages of 16 and 19).

However, the labor-force participation rate—the percentage of the population in the workforce—is projected to pick up for the teenage sector. According to the Bureau of Labor Statistics, the teenage labor-force participation rate is projected to steadily increase, rising from 53.8 percent in 1986 to 56.8 percent in 1995. In the year 2000, the teenage labor-force participation rate is forecast to

Unemployment rates by region* (October 1988 and October 1989)

There have been some shifts in regional unemployment rates between October 1988 and October 1989

	1988	1989	Percent change
New England	2.8%	4.1%	+1.3%
Mid Atlantic	4.3	4.6	+0.3
East North Central	5.4	5.9	+0.5
West North Central	4.1	3.9	−0.2
South Atlantic	4.7	5.0	+0.3
East South Central	6.5	5.5	−1.0
West South Central	7.1	5.6	−1.5
Mountain	5.8	4.7	−1.1
Pacific	4.8	4.7	−0.1

**See "Regional and State Forecast" section for identification of states by region*

Source: Bureau of Labor Statistics, Local Area Unemployment Statistics

Note: Not seasonally adjusted

reach its highest point of 58.5 percent.

According to the Bureau of Labor Statistics and *Blue Chip Economic Indicators*, overall civilian employment should increase by 2.4 million in 1989 to 117.4 million—a 2.1 percent increase. In 1990 civilian employment growth is projected to slow, increasing at its lowest rate since 1982 to reach 118.5 million—less than a 1 percent increase from 1989.

In 1989 the nation's annual civilian unemployment rate is expected to reach its lowest level of the 1980s—5.3 percent. However, there have been some major shifts in regional unemployment rates in the past year. For example, between October 1988 and October 1989, the West South Central* region showed the largest percentage drop in unemployment, declining 1.5 percentage points. The East South Central* and Mountain* regions also saw significant decreases in unemployment. In contrast, the New England* region experienced a turnabout, with the unemployment rate rising from 2.8 percent in October 1988 to 4.1 percent in 1989.

Labor demand growing

The demand for foodservice workers will not abate in the decade ahead. According to the Bureau of Labor Statistics, employment for food preparation and service occupations is projected to grow 37 percent between 1986 and 2000, increasing by 2.6 million jobs. Workers are projected to be concentrated in eating and drinking places, which are forecast to add the largest number of jobs of all industries in the economy—nearly 2.5 million—from 1986 to 2000. Occupational employment growth ranges from 17 percent for institutional or cafeteria cooks to 46 percent for restaurant cooks.

According to the 1988 National Restaurant Association Gallup survey of restaurant managers throughout the country,

☐ Chain and franchise operators are more likely than independent owners to feel the effects of labor shortages.

☐ Fast food operations are no more likely than their tableservice counterparts to be affected.

☐ Large operations report more labor-shortage problems than smaller ones, with respect to customer counts and food purchases.

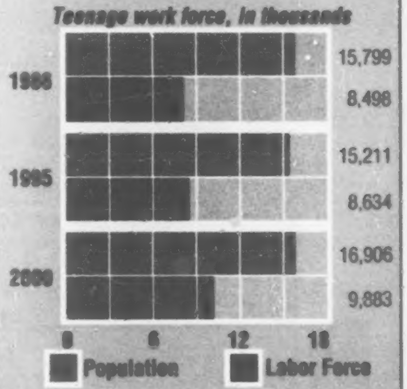
The effect of the labor shortage is more pronounced in certain foodservice occupations. For instance, there is usually more of a difficulty in filling such "back-of-the-house" positions as dishwashers. Moreover, strong demand for employees has boosted foodservice wages over the past several years, especially in New England, where the unemployment rate was particularly low at the end of 1988.

Steps to attract workers

Many restaurant operators are addressing the labor shortage by hiring disabled individuals, older workers and immigrants. In the future, immigrants will represent a growing share of the population and labor force. According to the Bureau of Labor Statistics, immigrants are projected to account for more than 23 percent of the growth in the labor force between 1986 and 2000.

Teenage* civilian population and labor-force participation

By the year 2000, teenage labor-force participation should pick up speed



** For the purposes of describing the workforce, teenagers include individuals between 16 and 19 years old.*

Source: Bureau of Labor Statistics

To attract more workers, there will be an increase in employee benefits being offered by foodservice employers in the 1990s, as well as a greater emphasis on human-resources development. Also, the 1990s are likely to see more of a restructuring of benefits policies to reflect the needs of two-earner families and single workers. Day care and pre-school education could become more readily available and subsidized to make it easier for individuals, especially women, to enter the workforce. According to a recent National Restaurant Association health-benefits survey, small restaurants with sales volumes less than $500,000 a year are unlikely to provide employee health-insurance

Median hourly wage: 1986, 1988

	United States			New England		
	1986	1988	Percent change	1986	1988	Percent change
Fast food counter worker	$3.85	$3.90	+2%	$4.57	$5.29	+16%
Bus person	3.42	3.50	+2	3.55	3.75	+6
Dishwasher	3.75	4.25	+13	4.50	5.50	+22
Salad prep employee	4.25	4.75	+12	5.12	5.75	+12

Source: *1986, 1988 Survey of Wage Rates for Hourly Employees, National Restaurant Association*

**See "Regional and State Forecast" section for identification of states in the region.*

coverage. As the sales volume increases, the likelihood of providing coverage for both hourly and salaried employees increases.

The survey revealed some other pertinent facts:

□ Common reasons why restaurants do not provide health-insurance coverage are cost and the fact that employees are covered elsewhere.

□ Employees must work 30 or more hours per week to be eligible for company-provided coverage.

□ The proportion of companies requiring no health-insurance contribution from employees has decreased substantially from 1985 to 1989. Generally, the employee contribution to premiums has more than doubled. The employer contribution has risen by a minimum of 23 percent in two years.

□ Since 1985 the employer contribution to premiums has increased by more than 50 percent.

□ The vast majority of employers offer a single insurance plan with no different options.

□ Most employers say they provide flexible work schedules.

□ Few employers currently provide employer-subsidized childcare benefits.

MARKETING/ADVERTISING

Real advertising expenditures for the restaurant industry are declining. The spending slowdown may be attributed to higher media advertising rates, increased cable/VCR viewing and the fact that some foodservice operators have allocated more of their marketing budgets to promotions. In addition, many restaurateurs are finding increasingly attractive marketing opportunities in the nation's health-and-fitness boom by sponsoring local and national sporting events.

Solid waste

Solid-waste disposal is an issue of increasing concern for many foodservice operators. In 1989 the National Restaurant Association conducted a survey of chain-restaurant operators.[*] It solicited information on restrictions governing solid-waste disposal and investigated efforts made by chains to reduce the amount of solid waste generated. Ninety percent of the respondents represented fast food restaurants and 10 percent represented family restaurants.

Rising costs and restrictions on solid-waste disposal were common in 1989. Between September 1988 and September 1989, 57 percent of the respondents experienced increases in solid-waste collection or disposal costs. One-third reported closures or limitations on landfills. Restrictions or fees on a specific material, such as plastic or styrofoam, had been placed on one out of every three respondents, while 14 percent (three chains) had been subjected to mandated source separation.

As a result of the increasing costs and restrictions on solid-waste disposal, chain operators have been taking steps to reduce the amount of solid waste generated. Virtually all of the respondents surveyed (95 percent) had evaluated their packaging requirements and worked with their suppliers to revise packaging (90 percent of companies). Just more than three-quarters (76 percent) had revised their takeout packaging and one out of every five (19 percent) had sponsored community cleanup days or recycling pickup programs.

Some chains have instituted their own programs to deal with the growing problem of solid-waste disposal. One out of three responding companies reported having instituted compaction programs, but the majority of compaction programs are still in the test stage. Fourteen percent, or three of the chain operators responding, reported testing source-separation or recycling programs, and one company tested an incineration program.

In addition, foodservice companies are willing to cooperate in consumers' recycling efforts. The Society of the Plastics Industry has developed a new coding system for consumers to identify recyclable plastics. Almost half (43 percent) of the survey respondents have or are in the process of instituting the codes on their packaging materials, with an additional two companies reviewing the codes for potential application in their operations.

Solid-waste reduction efforts

Chain restaurant operators that have:	Number	Percent of respondents
Evaluated packaging requirements	20	95%
Worked with suppliers to revise packaging	19	90
Revised takeout packaging	16	76
Tested compaction programs	5	24
Sponsored community cleanup days or recycling pickup programs	4	19
Tested source separation or recycling programs	3	14
Instituted compaction programs	2	10
Tested an incineration program	1	5

(n = 21)

Source: National Restaurant Association

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[*] *The National Restaurant Association conducted this survey of chain operators with 350 or more units in September 1989. Twenty-one of the 35 questionnaires were completed, resulting in a response rate of 60 percent.*

The fact that advertising expenditures are suffering is substantiated by the National Restaurant Association's *1989 Industry Operations Survey*. According to the survey, full-menu tableservice establishments decreased spending on advertising and promotions in 1988. In 1987 median advertising and promotional costs were $100 per seat, but they were trimmed to $94 per seat in 1988, perhaps as a result of the additional cost pressures experienced by operators.

Although only a small number of chains are large enough to use television advertising effectively, restaurants and drive-ins spent $804 million in 1988 on television advertising, according to the TV Bureau of Advertising. Total spending has been fairly steady between 1987 and 1988.

Promotions continued to be popular alternatives to the high cost of television advertising; nearly one out of every five, or 18 percent, of industry restaurant occasions in summer 1989 involved a promotion, compared to 16 percent in summer 1988. Quickservice restaurants captured the majority of deals—more than 20 percent of all occasions involved promotions in summer 1989.

LEGISLATIVE AND REGULATORY ISSUES

1990 will be another important year for the foodservice industry with regard to a wide variety of legislative and regulatory issues at federal, state and local levels.

Important issues at the federal level:

- ☐ Mandated-health benefits
- ☐ Parental-leave and childcare benefits
- ☐ Business-meal tax deduction
- ☐ Tip reporting and allocation
- ☐ Targeted Jobs Tax Credit (TJTC)
- ☐ Mandatory nutrition and ingredient labeling and
- ☐ Seafood inspection.

In addition, federal minimum-wage legislation, which passed in 1989, will go into effect on April 1, 1990—raising the minimum wage to $3.80 per hour.

Key state/local issues:

- ☐ Solid-waste fees and restrictions
- ☐ Excise taxes on alcoholic beverages, lower blood-alcohol levels to identify intoxication, and modified penalties for use of false identification
- ☐ Increases in state meal-and-beverage taxes
- ☐ Food-protection codes

MAJOR MARKET OUTLOOK FOR 1990

This section examines sales projections for eight major foodservice markets.

Educational foodservice

☐ This segment is projected to advance 1.3 percent in inflation-adjusted dollars in 1990, with sales reaching $11.5 billion.

☐ Despite a shrinking pool of prospective students, colleges and universities should see continued increases in enrollment. In 1989, fall enrollment was up 1.8 percent. Foodservice has become another element of this segment's marketing mix. This works to the advantage of contractors, who will post a real sales gain of 6.0 percent, compared to a 0.8 percent real sales decline for colleges and universities operating their own foodservice.

☐ Elementary schools are projected to record a 1.5 percent growth in enrollment, while secondary school enrollment is anticipated to decline 2.6 percent, resulting in a 0.3 percent increase overall for the primary and secondary school market. Greater contractor penetration of this segment is also forecast for 1990.

Educational foodservice sales: $11.5 billion

	($000) 1987	1989	1990	1989-90 Percent change	1989-1990 Percent real growth change	1987-90 Compound annual growth rate
Total educational foodservice	**$ 9,587,505**	**$ 10,828,491**	**$ 11,465,653**	**5.9%**	**1.3%**	**6.1%**
Colleges & universities						
Contractors	2,057,454	2,426,232	2,700,784	11.3%	6.0%	9.5%
Institutional	3,352,208	3,699,289	3,836,163	3.7	−0.8	4.6
Subtotal	**$ 5,409,662**	**$ 6,125,521**	**$ 6,536,947**	**6.7%**	**1.9%**	**6.5%**
Primary & secondary schools						
Contractors	988,436	1,158,803	1,225,052	5.7%	1.5%	7.4%
Institutional	3,189,407	3,544,167	3,703,654	4.5	0.6	5.1
Subtotal	**$ 4,177,843**	**$ 4,702,970**	**$ 4,928,706**	**4.8%**	**0.8%**	**5.7%**

Recreational foodservice sales: $6.9 billion

	($000) 1987	1989	1990	1989-90 Percent change	1989-1990 Percent real growth change	1987-90 Compound annual growth rate
Total recreational foodservice	**$ 5,598,750**	**$ 6,435,720**	**$ 6,897,072**	**7.2%**	**2.8%**	**7.2%**
Recreation & sports centers						
Contractors	1,508,072	1,724,969	1,838,817	6.6%	2.2%	6.8%
Noncontractors [1]	2,212,921	2,550,506	2,735,834	7.3	2.9	7.3
Subtotal	**$ 3,720,993**	**$ 4,275,475**	**$ 4,574,651**	**7.0%**	**2.6%**	**7.1%**
Clubs,[2] sporting and recreational camps	1,877,757	2,160,245	2,322,421	7.5%	3.2%	7.3%

[1] Includes sales at drive-in movies, bowling lanes and recreational and sports centers

[2] A proportion of food and beverage sales in clubs is business-related

Recreational foodservice

☐ Sales in this sector are expected to advance 2.8 percent in real terms in 1990.

☐ Sports and recreation centers will show a 2.2 percent real sales gain, due to increases in sports and convention-center attendance, as well as an increase in the number of visits to national and theme parks.

☐ More business-related activity at clubs and a growing membership base, combined with the increasing popularity of camps, will help the clubs, sporting and recreational-camp sector post sales of $2.3 billion—up 3.2 percent in real terms.

Employee foodservice

☐ Employment at manufacturing and industrial plants is expected to increase by a modest 0.2 percent, although commercial and office employment should advance a higher 3.1 percent, due to growth in the information-service areas.

☐ Contractors in manufacturing and industrial plants and in commercial and office buildings should post nearly identical growth—3.5 percent and 3.4 percent, respectively—in inflation-adjusted dollars.

☐ Institutional food and drink sales in the employee foodservice category—which includes meals and snack sales for industrial and commercial organizations, seagoing ships and inland-waterway vessels—are expected to see a substantial 5.8 percent real decline in 1990, due to greater penetration by contractors.

Transportation foodservice

☐ For the sixth consecutive year, transportation foodservice sales are forecast to record impressive growth—up 6.2 percent in inflation-adjusted dollars.

☐ Airline traffic should advance 4.5 percent, up from the much lower 1.0 percent gain in 1989.

☐ Railroads are expected to experience continued modest passenger growth, especially in the Eastern corridor.

☐ Cruise lines are projected to enjoy continued strong growth as a result of increased berth capacity and strong marketing programs.

Employee foodservice sales: $7.2 billion

	($000) 1987	1989	1990	1989-90 Percent change	1989-1990 Percent real growth change	1987-90 Compound annual growth rate
Total employee foodservice	**$ 6,081,694**	**$ 6,836,253**	**$ 7,191,813**	**5.2%**	**0.8%**	**5.7%**
Food contractors						
☐ Manufacturing & industrial plants	3,041,957	3,655,370	3,943,779	7.9	3.5	9.0
☐ Commercial & office buildings	1,063,465	1,239,264	1,335,926	7.8	3.4	7.9
Institutional employee foodservice *	1,976,272	1,941,619	1,912,108	−1.5	−5.8	−1.1

** Includes sales for industrial and commercial orgunizations, seagoing ships and inland-waterway vessels*

Transportation foodservices sales: $2.6 billion

	($000) 1987	1989	1990	1989-90 Percent change	1989-1990 Percent real growth change	1987-90 Compound annual growth rate
Total transportation foodservice	**$ 1,953,071**	**$ 2,363,395**	**$ 2,597,290**	**9.9%**	**6.2%**	**10.0%**
Contractors, in-transit commercial airlines	1,067,654	1,285,502	1,406,339	9.4	5.7	9.6
Transportation *	885,417	1,077,893	1,190,951	10.5	6.8	10.4

** Includes sales on airlines, passenger/cargo liners and railroads*

Military foodservice sales: $1.1 billion

	($000) 1987	1989	1990	1989-90 Percent change	1989-1990 Percent real growth change	1987-90 Compound annual growth rate
Total military foodservice *	**$ 965,124**	**$ 1,078,380**	**$ 1,140,632**	**5.8%**	**1.4%**	**5.7%**
Officers' & NCO clubs ("Open Mess")	633,471	705,736	745,257	5.6	1.2	5.6
Military exchange foodservice	331,653	372,644	395,375	6.1	1.7	6.0

** Continental U.S only*

Military foodservice

☐ The military population is expected to grow by 0.3 percent as a reduction in the rate of increase in defense spending reduces the rate of growth in domestic military forces.

☐ Foodservice sales at PXs and clubs should post real growth of 1.4 percent.

Health-care foodservice

☐ Total health-care foodservice sales are forecast to advance 1.9 percent in inflation-adjusted dollars.

☐ Increases in outpatient care and the number of employees to care for these patients, combined with a stabilization of length of patient stays, should help hospital foodservice sales advance 1.5 percent in inflation-adjusted dollars.

☐ Contractors are forecast to continue expanding their share of the health-care market, because they are best able to meet the demand for high-quality, consistent and cost-effective foodservice. Real sales for contractors in hospitals and nursing homes are projected to advance a healthy 4.4 percent.

Lodging places

☐ The outlook for foodservice sales at hotels, motor-hotels and motels is for a 2.3 percent real sales gain in 1990. There will be slight increases in occupancy levels, but a slowdown in expansion of new properties is expected because of changes in tax laws.

☐ Convention business should be good but not exceptional, as higher airfares could reduce attendance. Offsetting higher fares may be longer

Lodging place sales: $15.1 billion

	($000) 1987	($000) 1989	($000) 1990	1989-90 Percent change	1989-1990 Percent real growth change	1987-90 Compound annual growth rate
Total lodging places	**$ 12,328,033**	**$ 14,140,562**	**$ 15,087,960**	**6.7%**	**2.3%**	**7.0%**
Hotel restaurants	10,263,299	11,853,052	12,684,264	7.0	2.6	7.3
Motor hotel restaurants	789,780	883,214	936,207	6.0	1.6	5.8
Motel restaurants	1,274,954	1,404,296	1,467,489	4.5	0.1	4.8

Health-care foodservice sales: $14.3 billion

	($000) 1987	($000) 1989	($000) 1990	1989-90 Percent change	1989-1990 Percent real growth change	1987-90 Compound annual growth rate
Total health-care foodservice	**$ 12,009,190**	**$ 13,527,187**	**$ 14,315,828**	**5.8%**	**1.9%**	**6.0%**
Contractors in hospitals & nursing homes	1,348,436	1,572,749	1,711,151	8.8	4.4	8.3
Hospitals *	7,436,091	8,326,892	8,784,871	5.5	1.5	5.7
Nursing homes	3,224,663	3,627,546	3,819,806	5.3	1.8	5.8

** Includes voluntary and proprietary hospitals; long-term general, TB, mental hospitals; and sales or commercial equivalent to employees in state and local short-term hospitals and federal hospitals*

Other foodservice sales

	($000) 1987	($000) 1989	($000) 1990	1989-90 Percent change	1989-1990 Percent real growth change	1987-90 Compound annual growth rate
Retail hosts	$ 7,826,994	$ 9,457,060	$ 10,326,297	9.2%	4.8%	9.7%
Mobile caterers	664,722	757,460	799,120	5.5	1.1	6.3
Vending & nonstore retailers *	4,551,070	5,186,108	5,445,413	5.0	0.6	6.2
Community centers	487,558	590,083	641,420	8.7	5.2	9.6

** Includes sales of hot food, sandwiches, pastries, coffee and other hot beverages*

stays, because attendees staying over weekends can take advantage of lower weekend fares.

□ Hotel restaurants should capture the lion's share of the growth, posting a 2.6 percent real advance. Motor-hotel and motel restaurants should enjoy real sales growth, at 1.6 percent and 0.1 percent, respectively—a turnaround from declines of past years.

Other foodservice

□ Strong sales of meals, snacks and takeout food at grocery stores and convenience departments of gas stations will help boost sales at **retail hosts** by 4.8 percent in inflation-adjusted dollars. At grocery/convenience stores the increase will be strong but diminished from previous years. Declines are expected at drug and proprietary stores.

□ Modest real growth in construction, manufacturing employment, and sporting-events attendance will boost sales for **mobile caterers** by 1.1 percent in real terms.

□ Foodservice at **community centers** is forecast to increase 5.2 percent in inflation-adjusted dollars. This growth is due to increases in feeding programs for the elderly, the homeless and children in summer programs, as well as an increase in new AIDS programs.

1990 FOOD AND DRINK PURCHASES

Food and drink purchases for the foodservice industry are forecast to reach $91.5 billion in 1990. Purchases in the *Commercial Foodservice Group*, which account for over 75 percent of the total amount spent, are estimated to equal $68.8 billion.

Highlights for 1990 food and drink purchases

□ *Eating and drinking places*, which constitute the largest component of the Commercial Foodservice Group, are forecast to record food and drink purchases of $52.5 billion.

□ *Food contractor purchases* are expected to reach $5.4 billion. This group represents the largest component of the commercial segment, with the exception of eating places, in terms of food and drink purchases.

□ Purchases for the *Institutional Foodservice Group*, which account for 16.0 percent of total purchases, are projected to reach $14.6 billion.

□ *Hospitals*, the largest food and beverage purchaser in the institutional segment, should record purchases of $3.9 billion.

□ *Military foodservice* purchases are forecast to total $2.7 billion. Expenditures for defense personnel, the largest share of military foodservice purchases, are expected to reach $2.3 billion.

More short pleasure trips

Since 1984 weekend and short pleasure trips have been growing in popularity. This increase in number of travelers can translate into business for restaurants because many such travelers report that dining out is a favorite activity. Furthermore, it is not uncommon for travelers to be repeat customers. A study by the U.S. Travel Data Center for *Better Homes & Gardens* magazine showed that 76 percent of married couples reported that their most recent trip was a repeat visit to someplace they had already been. Thus a positive restaurant experience can contribute to a return visit.

Foodservice industry food and drink purchases projected to 1990*

	Estimated food and drink purchases ($000)
GROUP I: Commercial Foodservice[1]	
Eating places	
Restaurants, lunchrooms	$26,465,310
Limited-menu restaurants	22,684,174
Commercial cafeterias	1,559,288
Social caterers	772,849
Ice cream, frozen-custard stands	614,768
Total—eating places	**$52,096,389**
Bars and taverns	420,029[2]
Total—eating and drinking places	**$52,516,418**
Food contractors	
Manufacturing and industrial plants	$ 1,673,937
Commercial and office buildings	568,423
Hospitals and nursing homes	621,045
Colleges and universities	837,432
Primary and secondary schools	432,149
In-transit foodservice (airlines)[3]	674,958
Recreation and sports centers	579,227
Total—food contractors	**$ 5,387,171**
Lodging places	
Hotel restaurants	$ 3,919,317
Motor-hotel restaurants	292,134
Motel restaurants	468,921
Total—lodging places	**$ 4,680,372**
Other commercial	
Retail host restaurants	$ 3,448,260
Recreation and sports	871,637
Vending and nonstore retailers	1,644,460
Mobile caterers	245,322
Total—other commercial	**$ 6,209,679**
TOTAL—GROUP I	**$68,793,640**

	Estima food and purcha ($00
GROUP II: Institutional Foodservice—Business, educational, governmen institutional organizations that operate their own foodservice	
Employee foodservice	$ 87
Public and parochial elementary and secondary schools	3,61
Colleges and universities	1,52
Transportation	60
Hospitals	3,92
Nursing homes; homes for the aged, blind, orphans, and the mentally and physically disabled	2,34
Clubs, sporting and recreation camps	94
Community centers	75
TOTAL—GROUP II	**$14,59**
TOTAL—GROUPS I AND II	**$83,39**
Food furnished foodservice employees (FSE) in Groups I and II	$ 5,37
TOTAL—GROUPS I, II AND FSE	**$88,76**
GROUP III: Military Foodservice	
Defense personnel	$ 2,34
Officers' and NCO clubs ("Open Mess")	25
Foodservice—military exchange	14
TOTAL—GROUP III	**$ 2,740**
GRAND TOTAL	**$91,508,**

*Purchases refer to expenditures by foodservice establishments for their food and supplies

[1] Data are given only for establishments with payroll

[2] Food purchases only

[3] Food purchases only

REGIONAL AND STATE FORECAST

For the tenth consecutive year, the National Restaurant Association has forecast eating-place sales for each of the 50 states and the District of Columbia. Because eating-place sales are influenced by a variety of economic factors in a region and state, such as industrial mix, disposable personal income, population and employment growth, restaurateurs can use these data to compare their operations' sales performance with projections for their state or region.

Highlights

All nine census regions are expected to show positive growth in population, total employment and real disposable personal income in 1990, which will help boost eating-place sales. However, there are dramatic variations by region. For ample, the Mountain stat

The regional economies percent change: 1989-1990

Region	Population	Total employment	Manufacturing employment	Persona income
New England	1.0%	1.5%	0.1%	1.6%
Middle Atlantic	0.2	0.7	-1.4	0.7
South Atlantic	1.6	2.2	0.9	2.7
East North Central	0.1	0.8	-1.0	1.0
West North Central	0.5	1.2	0.4	1.7
East South Central	0.5	1.2	0.4	2.0
West South Central	1.0	2.2	1.3	2.6
Mountain	2.1	2.9	2.7	3.4
Pacific	1.8	2.4	1.6	2.7
Total United States	**3.9%**	**1.7%**	**0.2%**	**1.9%**

Source: National Planning Association, *Regional Economic Projections Series;* National Restaurant Association

Percent change in state and regional economic indicators: 1989–1990

	State	Population	Total employment	Manufacturing employment	Real disposable personal income	Eating place sales ($000) 1989	Eating place sales ($000) 1990	Eating place sales ($000) Percent change
New England	Connecticut	0.7%	1.4%	–0.5%	1.1%	$ 2,319,454	$ 2,460,941	6.1%
	Maine	1.1	1.7	0.1	2.2	778,078	843,436	8.4
	Massachusetts	0.8	1.4	0.1	1.5	5,148,476	5,454,811	6.0
	New Hampshire	2.4	2.9	1.7	3.7	869,062	955,099	9.9
	Rhode Island	0.7	1.2	nc*	1.6	686,555	735,987	7.2
	Vermont	1.4	1.9	1.6	2.7	395,621	429,249	8.5
	Total region	**1.0%**	**1.5%**	**0.1%**	**1.6%**	**$10,197,246**	**$10,879,523**	**6.7%**
Middle Atlantic	New Jersey	0.4%	1.4%	–1.4%	1.0%	$ 4,922,297	$ 5,220,588	6.1%
	New York	0.1	0.5	–1.4	0.6	11,493,270	12,154,133	5.8
	Pennsylvania	0.1	0.6	–1.5	0.8	6,666,285	7,062,929	6.0
	Total region	**0.2%**	**0.7%**	**–1.4%**	**0.7%**	**$23,081,852**	**$24,437,650**	**5.9%**
South Atlantic	Delaware	0.7%	0.9%	–0.7%	1.3%	$ 484,596	$ 519,002	7.1%
	District of Columbia	0.3	0.1	–1.5	–0.2	925,472	987,479	6.7
	Florida	2.6	3.1	2.5	3.5	10,050,146	10,904,408	8.5
	Georgia	1.5	2.2	1.0	3.0	4,479,314	4,882,452	9.0
	Maryland	1.1	1.7	–0.9	1.8	3,302,594	3,553,591	7.6
	North Carolina	1.1	1.7	0.8	2.6	4,120,178	4,482,754	8.8
	South Carolina	1.3	1.9	0.4	2.[illegible]	2,092,296	2,272,233	8.6
	Virginia	1.4	2.2	0.8	2.5	4,133,162	4,492,747	8.7
	West Virginia	–0.4	0.5	–1.6	0.9	819,544	864,619	5.5
	Total region	**1.6%**	**2.2%**	**0.9%**	**2.7%**	**$30,407,302**	**$32,959,285**	**8.4%**
East North Central	Illinois	–0.1%	0.6%	–1.9%	0.7%	$ 7,566,818	$ 7,941,375	5.0%
	Indiana	0.2	0.9	–0.9	1.4	3,567,985	3,768,182	5.6
	Michigan	nc*	0.9	–0.7	0.8	5,946,609	6,315,299	6.2
	Ohio	nc*	0.7	–1.3	0.9	7,066,361	7,423,940	5.1
	Wisconsin	0.6	1.2	0.2	1.8	2,935,472	3,108,665	5.9
	Total region	**0.1%**	**0.8%**	**–1.0%**	**1.0%**	**$27,083,265**	**$28,557,461**	**5.4%**
East South Central	Alabama	0.4%	1.3%	0.8%	2.0%	$ 2,070,329	$ 2,229,744	7.7%
	Kentucky	0.4	1.1	0.1	1.7	2,036,653	2,169,035	6.5
	Mississippi	0.2	0.9	0.7	2.1	1,013,370	1,080,252	6.6
	Tennessee	0.8	1.4	0.2	2.1	2,978,666	3,193,151	7.2
	Total region	**0.5%**	**1.2%**	**0.4%**	**2.0%**	**$ 8,099,038**	**$ 8,672,182**	**7.1%**
West North Central	Iowa	nc*	0.6%	–0.5%	1.3%	$ 1,437,098	$ 1,508,951	5.0%
	Kansas	0.6%	1.4	1.2	1.8	1,441,360	1,530,724	6.2
	Minnesota	1.0	1.7	1.1	2.1	2,757,701	2,942,467	6.7
	Missouri	0.5	1.1	–0.3	1.5	3,376,446	3,599,291	6.6
	Nebraska	0.3	1.0	0.5	1.3	892,482	942,461	5.6
	North Dakota	0.6	1.3	2.4	1.9	329,902	349,696	6.0
	South Dakota	0.3	0.9	2.8	1.7	343,931	363,879	5.8
	Total region	**0.5%**	**1.2%**	**0.4%**	**1.7%**	**$10,578,920**	**$11,237,469**	**6.2%**
West South Central	Arkansas	0.7%	1.5%	1.1%	2.4%	$ 1,047,193	$ 1,113,166	6.3%
	Louisiana	–0.3	1.5	–0.1	1.6	2,251,236	2,359,295	4.8
	Oklahoma	0.9	1.7	1.2	2.2	1,820,878	1,931,952	6.1
	Texas	1.4	2.6	1.6	2.9	10,771,716	11,467,569	6.5
	Total region	**1.0%**	**2.2%**	**1.3%**	**2.6%**	**$15,891,023**	**$16,871,982**	**6.5%**
Mountain	Arizona	2.8%	3.4%	3.2%	3.9%	$ 2,402,485	$ 2,587,476	7.7%
	Colorado	2.1	2.9	2.6	3.2	2,584,159	2,723,704	5.4
	Idaho	1.1	1.9	1.7	2.7	476,349	500,643	5.1
	Montana	0.7	1.5	–0.2	1.9	443,914	462,558	4.2
	Nevada	2.9	3.5	3.1	4.0	773,750	823,270	6.4
	New Mexico	1.7	2.7	3.0	3.2	934,977	996,685	6.6
	Utah	2.3	2.8	3.0	3.7	860,096	919,443	6.9
	Wyoming	1.6	2.5	1.0	3.2	280,988	293,632	4.5
	Total region	**2.1%**	**2.9%**	**2.7%**	**3.4%**	**$ 8,756,718**	**$ 9,307,411**	**6.3%**
Pacific	Alaska	1.1%	2.9%	3.0%	2.5%	$ 459,462	$ 482,894	5.1%
	California	1.8	2.5	1.7	2.7	22,192,260	23,599,948	6.3
	Hawaii	1.4	1.9	–0.4	2.1	1,495,540	1,601,733	7.1
	Oregon	1.3	2.0	0.7	2.4	1,846,421	1,938,742	5.0
	Washington	1.7	2.4	1.3	2.7	3,228,627	3,396,516	5.2
	Total region	**1.8%**	**2.4%**	**1.8%**	**2.7%**	**$29,222,310**	**$31,019,833**	**6.2%**

*no change

Source: National Planning Association, *Regional Economic Projections Series;* National Restaurant Association should see a 2.1 percent increase in population and real disposable-income growth of 3.4 percent in 1990. By comparison, the East North Central region should post more modest gains—a 0.1 percent growth in population and a 1.0 percent advance in real disposable personal income.

Other highlights:

□ The **South Atlantic** region is forecast to show the largest gain in eating-place sales—8.4 percent—followed by the **East South Central** region with a 7.1 percent increase.

□ The **East North Central** region should record the lowest growth rate in eating-place sales in 1990—up 5.4 percent.

□ The **South Atlantic** region is forecast to rank first in eating-place sales—nearly $33.0 billion. The **Pacific** region should rank second in the nation with $31.0 billion in eating-place sales.

□ **New Hampshire** is expected to post the largest percentage increase in eating-place sales in 1990, with a 9.9 percent advance. **Georgia** is projected to show the second-largest gain at 9.0 percent.

□ **California** will lead the states in eating-place sales at $23.6 billion—well ahead of **New York** ($12.2 billion) and **Texas** ($11.5 billion), the second and third-ranking states in terms of eating-place sales.

New England

Outlook

□ Population growth in the region is expected to exceed the national average, while employment and personal income should grow just below the national average.

□ Defense contractors, computer manufacturers and financial service companies will continue to grow in 1990 but at a slower pace than in the 1980s.

□ Despite some overall softening in the economy, the region is expected to benefit from generally positive economic conditions and booming exports—both of which should protect manufacturers and retailers from major declines in income and profits in 1990.

□ Eating-place sales in the region are forecast to grow 6.7 percent to reach nearly $10.9 billion in 1990.

□ Although Massachusetts will account for half of the region's total eating-place sales, New Hampshire will post the highest growth rate—up 9.9 percent from 1989.

Middle Atlantic

Outlook

□ Population and employment in the region are expected to grow more slowly than for the nation as a whole.

□ Increases in exports will continue to bolster growth in the steel, photographic equipment, computers and electronics industries, particularly in New York and Pennsylvania.

□ Some slight declines are expected in defense-related industries, due to lower aircraft production and less contracting activity. Growth in the financial-services sector is expected to slow.

□ Despite some economic softening, regional eating-place sales are forecast to reach more than $24.4 billion—a 5.9 percent gain over 1989.

□ New York will rank second in the nation for eating-place sales in 1990—$12.2 billion.

South Atlantic

Outlook

□ Higher-than-average growth is expected for population, total employment, manufacturing employment and personal income for this region in 1990.

□ Increased competitiveness of U.S.-made consumer goods in both international and domestic markets is expected to fuel this region's manufacturing industries.

□ Growth in service-related jobs—trade, business and personal services—should outperform all other industry employment growth in the region, boosting regional growth in income and retail sales.

□ Overbuilding could limit gains in construction and related real-estate industries.

□ Eating-place sales are projected to advance 8.4 percent and total nearly $33.0 billion—the most of any region in the United States.

□ Although Florida is expected to contribute one-third of the region's eating-place sales, Georgia is forecast to show the highest sales growth—advancing 9.0 percent over 1989 levels.

East North Central

Outlook

□ Population, employment and disposable personal income are forecast to grow at below the national average.

□ Automotive companies could continue to see some buyer resistance, leading to some softening in automotive-related industries.

□ Continued strength is expected in the industrial chemicals, industrial controls, construction steel and heavy-truck industries.

□ Construction and major-appliance companies are expected to keep the demand for steel at high levels and to fuel the region's steel industries.

How the regional forecast was prepared

The economic sales data for the states have been arranged according to the nine census regions. Included with each state are revised eating-place sales for 1989, projected 1990 sales figures and information on personal income, employment and population data. Much of the economic data in this report is based on information obtained from such sources as the Bureau of Economic Analysis, the Bureau of Labor Statistics, the National Planning Association and the U.S. Chamber of Commerce.

The estimates for eating-place sales used here were prepared in consultation with the research firm Mal-

☐ Construction activity or both residential and nonresidential structures in the region is expected to remain stable.

☐ Lower economic growth in the region is expected to result in eating-place sales growth of 5.4 percent in 1990—the lowest growth rate of any region. However, sales at eating places are forecast to reach an impressive $28.6 billion.

East South Central

Outlook

☐ Population and employment in the region are forecast to grow slightly below the national average. Manufacturing employment and personal income should grow at slightly higher than national levels.

☐ Steel and electronics industries in the region are expected to continue to benefit from improved competitiveness and a growing export market.

☐ The region's automotive manufacturers could see difficulties with sluggish sales, while textile and apparel manufacturers can expect continued competition from offshore suppliers.

☐ Growth in new high-technology manufacturing facilities should help boost the region's economy.

☐ Sales at eating places in the region are forecast to reach nearly $8.7 billion—a 7.1 percent increase over 1989.

☐ Tennessee will post the highest eating-place sales of any state in the region—$3.2 billion—and Alabama is expected to show the highest regional eating-place sales growth—7.7 percent.

colm Knapp, Inc. State-by-state historical eating-place sales in 1972, 1977, 1982 and 1987 form the basis for these projections. Special attention was paid to growth trends between 1982 and 1987 for refreshment places (fast food) and restaurants and lunchrooms for each state. Sales figures were then adjusted to reflect current and projected income and population data.

A few reminders

☐ Sales projections for 1990 are based on the best available data in late September and early October 1989. If the outlook for general economic conditions or the food situation changes significantly in 1990, these projections will require adjustments.

☐ Adjustments were made to arrive at a predetermined U.S. total.

☐ Sales figures for each state are subject to a larger margin of error than the national projections.

☐ Actual sales figures represent an overall allocation of total sales in the United States. While percent changes are subject to more variation, they have been shown here as a convenience to *1990 Forecast* readers.

☐ The sales information for states and regions is for all establishments. Figures represent the U.S. Census definition of eating places (SIC Code 5812) and include the sales for operations with payroll and without payroll, as well as contract feeders. As a result, the sales figures for states and regions will not equal the total for eating places. Regional projections were not done separately; as a result, regional totals are sums of state data.

West North Central

Outlook

☐ Growth in both agriculture and manufacturing should continue to help the region's economic picture.

☐ Population and employment growth are expected to be slightly below national levels, but manufacturing employment growth should exceed national levels.

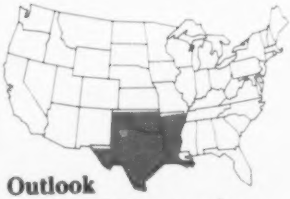
☐ Increased exports of general-aviation aircraft should help boost the region's aerospace industry. Brisk growth in the semiconductor industry is expected to help high-tech companies.

☐ Growth in service and trade employment in the region is expected to slow, and weak sales could dampen growth at farm-machinery manufacturing plants.

☐ The region is forecast to post more than $11.2 billion in eating-place sales—a 6.2 percent increase over 1989.

☐ Missouri will lead the region in eating-place sales—$3.6 billion—but Minnesota will post the largest sales growth at 6.7 percent.

West South Central



Outlook

☐ Population, employment and disposable income are expected to outpace national levels.

☐ Modernization of facilities should keep the region's refining and petrochemical industries going strong, and defense industries should also post another year of growth.

☐ Expansion of natural-gas usage could help some segments of the region's economy recover at an accelerated pace.

☐ An excessive supply of residential housing units is expected to slow recovery of the region's construction industry, while mergers and failures of some banks and thrifts could hinder the financial-services industries.

☐ The economic recovery in the region should help advance eating-place sales 6.5 percent to $16.9 billion in 1990, with Texas accounting for more than two-thirds—$11.5 billion—of the projected regional sales.

Mountain

Outlook

☐ Regional growth in population, employment, manufacturing employment and personal income are expected to be the highest of any region in the country in 1990.

☐ Higher prices for copper, precious metals and other nonfuel materials should boost mining.

☐ Higher worldwide demand for beef is expected to help ranchers, while increasing world prices for oil and gas should help revive the sluggish energy industry.

☐ Tourism in Arizona, Nevada and Colorado is expected to thrive, but levels may be lower than usual in Wyoming and Nevada, due to continued rebuilding of burned-out areas of Yellowstone Park.

□ Severe overbuilding of office and multifamily units in some areas could dampen construction in the region.

□ Eating-place sales in the region are forecast to grow 6.3 percent to reach $9.3 billion.

□ Arizona is likely to lead the region in eating-place sales growth at 7.7 percent, while Colorado will have the highest eating-place sales—$2.7 billion.

Pacific

Outlook

□ Population, employment, manufacturing employment and personal income are expected to grow faster than the national average.

□ A recent surge in new aircraft orders should boost the aerospace and electronics industries.

□ Rising prices and strong demand—both foreign and domestic—are expected to help the natural-resources industries.

□ Increased traffic and trading in the ports along the Pacific should bolster the trade and distribution industries and strengthen the financial-services sector.

□ Tourism in the region is expected to remain strong.

□ Regional eating-place sales should top $31.0 billion—a 6.2 percent increase from 1989—with California leading the nation in eating-place sales at $23.6 billion.

1989 UPDATE

The National Restaurant Association's updated 1989 forecast shows a slight decline in foodservice industry sales from the association's original forecast. The revised numbers were lower, due in part to stronger-than-anticipated consumer purchases of durable goods, particularly automobiles and light trucks. This additional "unexpected" fixed charge against income may have deterred some consumers from purchasing food away from home, at least until an adjustment in spending patterns was made.

—Elizabeth Gordon
—Nancy Michalski
—Susan Mills
—Claire Regan
—Hudson Riehle

Foodservice industry food and drink sales
1988-1989

	($000)		Percent change	
	1988	1989	Current dollars	Constant dollars
Commercial Foodservice Group	$189,303,501	$201,176,911	6.3%	1.6%
Eating places	138,403,276	147,039,640	6.2	1.7
□ Restaurants and lunchrooms	69,574,140	73,235,148	5.3	0.7
□ Limited-menu restaurants	61,037,036	65,529,362	7.4	2.8
□ Commercial cafeterias	3,966,033	4,152,436	4.7	0.1
□ Social caterers	1,934,272	2,089,014	8.0	3.4
□ Ice cream, frozen-custard stands	1,891,795	2,033,680	7.5	2.9
Bars and taverns	8,929,111	8,982,686	0.6	−4.5
Total eating & drinking places	147,332,387	156,022,326	5.9	1.3
Institutional Foodservice Group	23,612,634	24,967,734	5.7	0.7
Military Foodservice Group	1,018,898	1,078,380	5.8	1.5
Total industry sales	**$213,935,033**	**$227,223,025**	**6.2**	**1.5**

How the 1990 forecast was prepared

The National Restaurant Association's projections for 1990, revised projections for 1989 and final estimates for 1987 are published here. Comparable historical data encompassing the period from 1970 through 1986 have been published in *Foodservice Numbers* and *Year in Review*.

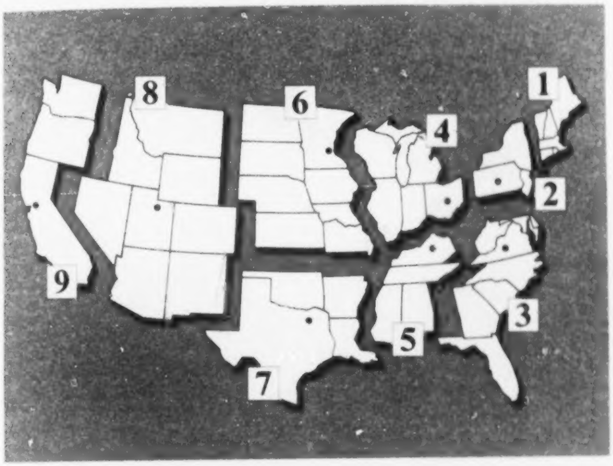
The association's annual industry forecast for 1990 includes both nominal and real percentage changes in sales for all industry sectors. Real growth is calculated separately for each market segment. In the case of eating places, the projected percentage increase in menu prices is subtracted from the percentage increase in sales. For drinking places, it is necessary to estimate the inflation factor separately; it is weighted more heavily toward alcoholic beverages.

For other industry sectors, such as colleges and universities where expenses are largely determined by food costs, a modification of the Producer Price Index of food is used. Modifications to this index are based on historical patterns for each industry sector. The food cost component constitutes the base percent increase, which is adjusted to reflect population changes and other pertinent factors, such as labor and overhead costs.

To arrive at 1990 real sales figures for the total foodservice industry as well as for the Commercial and Institutional Foodservice Groups, current 1989 sales were multiplied by the respective 1990 real growth factors. The real sales figures for each of these sectors were added and compared with 1989 sales to obtain real growth for the industry and the two major segments.

A word of caution

Sales projections are based on the best data available in late September and early October 1989. If the outlook for general economic conditions or the food situation changes significantly in the coming year, these projections will require adjustment. In addition, the performance of individual companies or sales in local market areas may differ substantially from the U.S. outlook.



Here are some recipes from operators who have been interviewed for "How's Business," so you can recreate their specialties in your restaurant.

Region 1

FISHERMAN'S STEW

Serves 2

Ingredients:
4 ozs. each of fresh-shucked soft-shell clams, oysters, sea scallops
4 peeled and deveined raw shrimp
1 pt. light cream or half-and-half (scalded)
2 ozs. butter
Paprika and parsley to taste

Method:
Melt butter. Add all seafood and saute until done.

Put seafood in serving bowls, add cream.

Top with herbs.

—Union Oyster House, Boston

Region 2

VEAL WITH FETA

Serves 1

Ingredients:
4-5 ozs. veal, pounded and dredged in flour mixed with a dusting of paprika
1 Tbs. clarified butter
3 Tbs. yellow onions, slivered
Pinch of thyme
2 Tbs. white wine
Splash of beef stock
3 Tbs. heavy cream
1 Tbs. sour cream
2–4 black olives, sliced
2 cherry tomatoes, halved
2–2½ Tbs. feta cheese, crumbled

Method:
Brown the veal in 1 Tbs. of clarified butter and remove. Next add the onion and a pinch of thyme; stir fry until the onion begins to wilt. Add about 2 Tbs. white wine, a splash of beef stock and deglaze the pan. Add the heavy cream and sour cream, bring to a simmer and return the veal. Simmer all until it has thickened; then add the olives and cherry tomatoes. Heat through and then add the crumbled feta. Gently swirl the pan just until the cheese begins to melt into the sauce. Serve. The point is to have a few soft curds of feta intact.

—Mackley's Mill, Hallam, Pennsylvania

Region 3

GOOBER SOUP

Serves 8

Ingredients:
¼ cup butter
1 cup thinly sliced celery
½ cup finely chopped onion
2 Tbs. flour
2 qts. chicken stock
1 cup smooth peanut butter
1 cup light cream

Method:
Melt butter in a large saucepan over low heat. Add celery and onion and cook until tender, but not brown. Add flour and stir until mixture is smooth. Gradually add chicken stock and bring to a boil. Blend in peanut butter and simmer 15 minutes. Stir in cream just before serving.

—White's Truck Stop, Raphine, Virginia

Region 4

APPLE IN THE PAJAMA

Serves 1

Ingredients:
1 med. apple (Jonathan or Winesap), peeled and cored
1 Tbs. sugar
1 tspn. raisins
⅛ tspn. cinnamon
1 Tbs. orange or apricot marmalade
1 6-inch-by-6-inch piece of puff pastry
1 egg
½ cup milk

Method:
Mix sugar, raisins, cinnamon and marmalade together and place in cored apple. Wrap apple in puff pastry and press edges to seal.

Mix egg and milk together to make egg wash. Brush puff pastry with egg wash.

Bake at 350° F. for 30–45 minutes. Sprinkle with powdered sugar and serve garnished with whipped cream.

—The Golden Lamb Inn, Lebanon, Ohio

Region 5

CHESS PIE

Makes one 9-inch pie

Ingredients:
2 cups sugar
2 Tbs. flour
2 Tbs. cornmeal
½ cup margarine, softened
5 egg yolks
1 cup half-and-half
1 unbaked 9-inch pie shell—extra thick if possible

Method:
Mix the sugar with the flour and cornmeal. Then cream well with the margarine. Blend in egg yolks, beating well, and add the half-and-half gradually.

Pour into an unbaked pie shell and bake at 425° F. for 15 minutes. Reduce heat to 375° F. and bake 30 minutes or longer until done.

—Talbott Tavern, Bardstown, Kentucky

Region 6

RICOTTA-STUFFED CHICKEN BREAST

Serves 4

Ingredients:
4 7-8 oz. fresh chicken breasts (tenders included)
1 cup ricotta cheese
2 Tbs. each of pistachios, walnuts, raisins
1 Tbs. chopped parsley
2 ozs. Parmesan cheese
2 ozs. bread crumbs
½ Tbs. salt
1 tspn. white pepper
1 egg
2 ozs. clarified butter

Sauce ingredients:
6 ozs. sweet Marsala

½ cup sliced mushrooms
1 oz. whole butter

Garnish:
Fresh oranges, parsley

Method:
Twenty-four hours in advance of serving: Remove tenders from breasts, cover with plastic wrap and slightly flatten both the tenders and breast with the side of your hand.

Chop walnuts and pistachios; mix in remaining ingredients.

Take a 4-oz. ball of stuffing and roll into log shape, lay lengthwise on the breasts. Place flattened tender on top of stuffing and fold up edges of breast.

Cover bottom of shallow ceramic baking dish and place breasts seam side down. Season outside of breasts with salt and pepper. Refrigerate for 24 hours.

Remove from dish, place in roasting pan and top with pats of clarified butter. Bake at 375° F. for 13 minutes.

To make sauce, remove breasts from pan and pour out any remaining fat. Deglaze with the Marsala and add mushrooms. Reduce by two-thirds. Add butter. Garnish breasts with fresh oranges and whole parsley. Add sauce and serve.

—Muffuletta in the Park, St. Paul, Minnesota

Region 7

DONKEY TAILS

Serves 1

Method:
Take a hot dog and slit it down the middle. Fill middle with grated cheddar cheese. Wrap the hot dog with a 6-inch flour tortilla and spear with a toothpick. Fry in 350° F. hot oil or shortening until golden brown. Drain.

—Tolbert's Chili Parlor, Dallas

Region 8

GREEN CHILI RELLENOS

Serves 4

Ingredients:
6 Anaheim green chili peppers

Method:
Charbroil peppers on each side until blackened. Place in a glass bowl, cover with plastic wrap and let sweat for 5 minutes. Peel charred skin off peppers, cap and remove seeds gently. Set aside.

DUXELLE MIXTURE
Ingredients:
1 lb. fresh button mushrooms, chopped until finely minced (use a knife)
1 Tbs. fresh garlic, minced
2 Tbs. fresh minced shallots
¼ cup minced onions
2 Tbs. unsalted butter
½ cup white wine
½ cup heavy cream

Method:
In heavy skillet, melt butter. Add onions, shallots and garlic. Saute for 1 minute. Add mushrooms and white wine. Gently saute on low heat for 15 minutes. Add cream, and let simmer for 30–40 minutes. Add salt and pepper to taste. Remove and set aside to cool. Refrigerate.

GOAT CHEESE SAUCE
Ingredients:
⅔ cup finely grated goat cheese
1 Tbs. shallots
2 cups white wine
1 cup champagne vinegar
2 cups heavy whipping cream
1 Tbs. fresh garlic, minced
Salt, pepper to taste

Method:
In a heavy saucepan, reduce shallots, garlic, white wine and champagne vinegar. Reduce over medium heat until the liquid has evaporated and all that's left is a syrupy mixture on the bottom of the pan. Be careful not to burn the liquid. Add the cream and reduce by half. Add goat cheese, and reduce 10 minutes over low heat. Pour mixture through a fine strainer, cheese cloth or china cap. Add salt and pepper to taste. Keep sauce warm in a bain marie or double boiler.

Final preparation:
Take cooled green chilies and stuff gently with cooled duxelle mixture, using a teaspoon. Set on a greased cookie sheet or pie tin. Add 1-2 ozs. white wine, chicken stock or water to bottom of the pan to prevent chilies from sticking. Bake at 400° F. for 8-10 minutes.

To serve, pour warm goat cheese sauce on serving dish; place hot green chilies on top of sauce.

—Tree Room Restaurant, Provo, Utah

Region 9

POACHED CHICKEN BREAST WITH JULIENNE VEGETABLES, MORELS AND HERBS

Serves 4

Ingredients:
4 chicken breasts, skinned and deboned (4½ ozs. per serving)
3 cups chicken stock
2 cloves garlic, diced
10 med. dry morels
½ cup water
1 med. zucchini, julienned
1 med. carrot, julienned
10 snowpeas, julienned
1 red bell pepper, julienned
1 large leek (white part only), julienned
1-2 Tbs. mixed fresh herbs (basil, thyme, rosemary, parsley)
4 cups cooked rice

Method:
Prepare chicken breasts and have stock on hand. Dice garlic and set aside. Wash all the vegetables and cut into ¼-inch julienne strips. Soak morels in cold water, changing water once to remove all sand. Allow morels to stay in second change of water at least 15 minutes. Remove mushrooms from water and strain, saving liquid. Cut mushrooms in half and set aside. Finely chop herbs and set aside.

Put stock into shallow pan large enough to fit the chicken breasts. Bring to simmer and add chicken. Cover pan and cook over medium heat 5–6 minutes or until breasts are just pink in centers. Remove from pan and keep warm. Raise heat to medium high. Add carrots and peppers, and cook for 2 minutes. Add leeks and zucchini, and cook for 2 minutes more, until vegetables start to lose rawness but still seem crisp. Add snowpeas, morels, morel liquid and fresh herbs. Cook for 3–4 minutes. Return chicken breasts to pan. Heat through for a minute or two; then remove from heat.

Put a bed of rice on four warm plates and spread vegetables on top. Slice each breast into four or five pieces and place in center of plate. Reduce pan juices slightly and spoon over chicken and rice. Garnish with chopped parsley and sprigs of fresh herbs.

—The Shadows, San Francisco

Check your local listing...

Television viewers in Philadelphia who are hungry for more than entertainment can whet their appetites by watching "Menu TV" on cable channel 53. Every evening from 5:30 to 6:30, "Menu TV" runs ads from restaurants whose owners have signed up for the service. The ads are each

25 seconds long, cost $15 each weekday and are repeated every 15 minutes. They are updated daily to list the restaurants' specials and also the addresses, hours, musical entertainment—or anything else the restaurants want to promote.

"Menu TV" is the brainchild of freelance writer Robyn Selvin, who is having no problem selling the airtime to eager restaurateurs. Cable is cheaper and more current than print ads, and it is targeted to a very specific audience—those who are trying to find a place to eat out that night.

—Philadelphia Inquirer

Micro-Toms are big news

Good things come in small packages. At least that is what Jay Scott and Brent Harbaugh from the University of Florida, the developers of the amazing "Micro-Tom" tomatoes, think. Micro-Tom tomatoes are half the size of cherry tomatoes, so people can pop them like peanuts or sprinkle them on a salad like croutons.

In the vegetable world, Micro-Toms are considered quite a breakthrough—no more slicing, dicing or worrying about the seeds squirting everywhere.

—The Washington Times

Cheers to ARA's designated-driver program

More than 1,000 fans at each Chicago Bears football game are raising their glasses—of soda—in salute to an unusual designated-driver program set up by the Bears organization and its concessionnaire, ARA Services.

Under the program, fans with driver's licenses can sign forms stating that they will not partake of alcoholic beverages during the game because they will be driving others home. The participating fans receive a button that can be redeemed for two soft drinks, and they also have their hands stamped so that they may not purchase beer at the stadium.

Although the program will cost the Bears and ARA several thousand dollars in lost revenue, the reward—more fans getting home safe and sound—is worth it.

—Sports Illustrated

Recycling McPlastic

Long known for rolling out its new products in regional tests, McDonald's Corporation is planning a test of a different kind—a trial run for a recycling program for its plastic containers. One hundred McDonald's restaurants in New England have agreed to test the recycling program by setting up collection bins for customers to separate the polystyrene clamshell containers from their other trash. The company hopes to have all New England stores join the program by early 1990 and eventually to go national.

McDonald's is one of many foodservice companies initiating programs in response to growing concern about the environment, but fast food restaurants need look no further than the supermarket for ideas on how to educate the public about the use of plastic packaging. One company taking the lead is Dart Container Corporation out of Mason, Michigan. It has placed a special message written on the inside of egg cartons that reads "Our environment—important to us all," and goes on to describe how the foam cartons are recyclable, are stable when disposed of in landfills and are safely incinerated.

—*New York Times* and Dutchland Farms egg carton

Thinking on your feet

Are those weekly staff meetings deteriorating into gab sessions or slow-moving, drawn-out events? Try removing the chairs. According to studies conducted by Motivational Systems, a management development and business-communications firm in West Orange, New Jersey, meetings in which all the participants are standing can be held in 50 to 60 percent of the time needed for the traditional sit-down meetings. And the meetings are more productive, too—standing up lends an air of urgency, stimulates discussion and expedites the decisionmaking process.

—Sanford Teller Communications

SANDWICHES ■ GOLD PLATE WINNERS LOOK TO THE 90s ■ PARTNERSHIPS

PULLOUT

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RESTAURANTSUSA

CAN YOUR EMPLOYEES READ THESE?

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4520 EAST-WEST HWY S800
BETHESDA MD 20814

Memo
To all staff:
There will be a staff meeting this Frida
Some topics to be covered
• Shift changes
• Kitchen efficin
• Leave policies
• Alcohol service
If you can't make the meeting,
John Doe
Manager
APPLICATION FOR EMPLOYMENT
PERSONAL
EDUCATION
TIME CARD
SUN
MON
TUES
WED
THUR
FRI
SAT
SUN
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EMPLOYEE SIGNATURE
MANAGER APPROVAL
MENU

ASSOCIATION MEETINGS

SEMINARS

Basic Foodservice Courses

Dining Room Management

2/20	Chicago, IL
2/21	St. Louis, MO
2/26	Grand Rapids, MI
4/2	Atlanta, GA
4/23	Philadelphia, PA
4/25	New York, NY

Kitchen Management

2/5	Worcester, MA
2/6	Gaithersburg, MD
3/19	Chicago, IL
3/20	St. Louis, MO
4/23	Atlantic City, NJ
4/25	Cincinnati, OH

Foodservice Management Courses

Banquet Management

2/12	Tampa, FL
3/5	Baltimore, MD
3/12	Atlanta, GA
4/23	Chicago, IL
4/24	Detroit, MI

Food Cost Management

2/6	Raleigh, NC
2/7	Miami, FL
3/4	Washington, DC
3/5	Worcester, MA
3/20	Chicago, IL
3/21	Detroit, MI
4/3	Portland, OR
4/4	Seattle, WA
4/27	Denver, CO

Franchising for Growth

3/28	Chicago, IL

Healthy Profits through Nutrition

3/26	Chicago, IL

Labor: Hiring, Training and Retaining

2/6	Hartford, CT
2/7	Newark, NJ
2/27	Chicago, IL
3/12	Pittsburgh, PA
3/13	Alexandria, VA

Off-Premises Catering

1/29-30	Philadelphia, PA
2/5-6	Portland, OR
3/12-13	Chicago, IL
3/19-20	San Diego, CA

Profitability

2/6	San Francisco, CA
2/7	Los Angeles, CA
2/27	Minneapolis, MN
4/23-24	Minneapolis, MN
3/27	Chicago, IL
4/23	Boston, MA

Promoting Your Restaurant

3/5	Chicago, IL

Successful Buffet Management

2/5	Chicago, IL
2/26	Lexington, KY
3/26	Boston, MA
4/2	Los Angeles, CA
4/3	San Francisco, CA
4/23	Baltimore, MD

Takeout Delivers Profits

3/26	Louisville, KY
3/27	Orlando, FL
4/2	Chicago, IL

Note: *All Chicago seminars are held in The Educational Foundation's Conference Center at 250 S. Wacker Drive.*

For information, contact:
Educational Foundation of the National Restaurant Association
250 South Wacker Drive
Chicago, IL 60606
(312) 715-1010 or 1-800-522-7578

If your company is interested in our in-house programs, call or write to the attention of Jeff Harrison at the above address.

EXECUTIVE STUDY GROUP SERIES

Financial Officers

4/4–6	Scottsdale, AZ

Foodservice Purchasing Managers

5/17–18	Chicago, IL

Internal Auditors

4/24–27	Key West, FL

Labor Relations

2/22–23	Mobile, AL

Large Independent Operators

1/30–2/2	Honolulu, HI

Management Information Systems

4/17–20	Nashville, TN

Marketing Executives

5/16–20	Chicago, IL

Multi-Unit Architects, Engineers and Construction Officers (MAECO)

5/16-18	Chicago, IL

Quality Assurance

4/18-20	Atlanta, GA

Safety Officers

1/15–18	Las Vegas, NV

Tax Executives

4/4–6	Scottsdale, AZ

For more information on specific study groups, contact: Philip Kralovec, (312) 853-2525.

The Executive Study Groups present semi-annual professional development programs for executives who would like to meet with their industry peers to share ideas and concerns. Executives in each of the aforementioned disciplines from member foodservice companies are welcome and encouraged to participate.

Get Sanitation Smart

The in-house training seminar, "Applied Foodservice Sanitation," is the newest addition to the nationally recognized sanitation certification program from the Educational Foundation of the National Restaurant Association.

AFS trains, tests and certifies management and key employees in sanitation practices. The cost-effective in-house format allows the practices to be taught at the same time in the same place at your discretion.

Twenty-one other foodservice topics–from the basics on up–are also available from the educational foundation in this format.

So don't be left in the dark–join the thousands of other industry professionals who have developed their skills with foundation seminars. For more information on setting up an in-house training program, call Jeff Harrison at 1-800-522-7578.

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PRESIDENT'S REPORT

**Harris H. "Bud" Rusitzky, President
Serv-Rite Food Service and Consulting Corporation
Pittsford, New York**

The beginning of the '90s is a good time to reflect on the state of the foodservice industry. As reported in last month's issue of ***Restaurants USA,*** foodservice is enjoying continued economic health—10 consecutive years of real growth. Although competition has grown stiffer, total sales continue to expand.

Reflecting on success

On the legislative front, the industry has also recently scored major victories—namely, the repeal of Section 89, the extension of TJTC and the long delay in passage of minimum-wage legislation—legislation which, in its final form, calls for a significantly lower increase than initially proposed.

Mandated-health benefits proposal to pick up steam

But the new decade will bring more challenges. The issue of mandated health benefits—actively opposed by association and other business lobbyists—is likely to pick up steam as Congress reconvenes at the end of this month. Although the idea of mandated benefits has been around for several years, Congress should find it more appealing as it looks for solutions to the nation's health-insurance crisis that do not require federal funding.

The National Restaurant Association has been working closely with elected representatives, including Sen. Orrin Hatch (R-UT) and members of the Pepper Commission, to develop alternatives that would provide health insurance for employees without harming businesses—particularly small businesses. Alternatives include Medicaid expansion, a 100-percent deduction for health-insurance costs for all businesses—not just corporations, preemption of all state benefit mandates, malpractice reform, and revision of the underwriting practices of insurance companies. Look for debate on this issue to intensify as Congress reconvenes.

Renewed focus on fast food labeling

We can also expect a renewed focus on the issue of fast food labeling in 1990. Last year, legislators and regulators began anew their push for comprehensive revision of food-labeling requirements. Although three bills under congressional consideration exempt restaurants from labeling requirements, the Food and Drug Administration recently issued a call for public comment on mandatory fast food labeling. The association testified against labeling before panels examining the issue.

Left to our own devices, our industry has proven responsible in responding voluntarily to customers' requests for information. This voluntary initiative is our best argument when debating the labeling issue—and it is one we plan to put forward emphatically as we deal with legislative and/or regulatory attempts to mandate fast food labeling.

These are only two examples of issues that will command the association's attention and energies in 1990. There are more—and we need your help. The strength of any organization is in its membership, and past victories have demonstrated that our association is no exception. You have responded forcefully to our calls for action in the past. Our successes in 1990 and beyond depend upon your continued involvement.

Solid-waste symposium takes place this month

The association's symposium on solid waste is being held in Washington DC this month. Out of this day-long session we expect to develop new ideas and a strengthened commitment toward reducing the nation's solid-waste problem. ***Restaurants USA*** will include a full report on the symposium for those unable to attend.

Food editors to meet in DC

At the end of this month, I will represent the association at The International Food Media Conference, an annual meeting of the nation's food editors to be held January 31–February 4 in Washington DC. At the conference, I will share with food editors from the nation's preeminent newspapers the association's viewpoints on issues and trends affecting foodservice in the 1990s. It is hoped that these editors will come away with a wealth of story ideas—ideas that focus on restaurants and the pleasures of dining out.

Register now for Monterey Wine Festival

Now is the perfect time to make your reservations to join us in magnificent Monterey, California, for the Monterey Wine Festival, March 18–20. The two-and-a-half-day festival features gala feasts and receptions, informative seminars and—most importantly—250 of the finest wines that the great wine-producing state of California has to offer. Call 1-800-525-FEST for more information and to register.

Look for nutrition-awareness study and operations questionnaires

Key members of the association should look in their mailboxes toward the end of the month for a complimentary copy of the association's newest Current Issues Report, *Nutrition Awareness in the Foodservice Industry*. This timely report includes consumption trends as they reflect nutrition concerns, information on how foodservice is catering to these trends and a look into the future of nutrition awareness in restaurants. Additional copies are available for purchase through the association's publications department.

Key members should also be watching for the 1990 Restaurant Industry Operations questionnaire, which will be mailed this month. Results of the survey are used to compile the annual *Restaurant Industry Operations Report*.

This report—among the most widely read of the association's publications—outlines financial operating data of full and limited-menu tableservice restaurants, fast food operations and cafeterias, and it gives operators a base from which to compare their own operations figures. For the first time this year, information on benefits costs will also be included. Key members who fill out the questionnaire and return it by February 26 will receive a free copy of the 1990 report when it is published later this year.

We welcome the 50 new members who joined the National Restaurant Association last month. Your commitment to the association will further strengthen our unified effort to represent the foodservice industry.

Sincerely,

Bud Rusitzky

Harris H. "Bud" Rusitzky
President and Chairman of the Board

COVER STORY: THE ABCs OF LITERACY— PROGRAMS FROM THE WORKPLACE TO THE CLASSROOM

12 Taking part in the national effort to put an end to illiteracy is no longer a matter of social commitment—it is a matter of survival. Just like other labor-intensive businesses, the foodservice industry has many employees with poor or no reading skills. This article—the first in a series on "Restaurants and the Community"—outlines the problem and profiles restaurants that have implemented literacy programs.

SPECIALS

10 What's ahead in the '90s?
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Cover photo by Sarah Hood; ordering carousel courtesy of Adams Burch, Tuxedo, Maryland; location courtesy of Herb's, Washington DC

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SHORTORDERS

The "Reading Rocket" is on its way

JELL-O
READING ROCK

JELL-O Desserts and General Foods USA launched "The JELL-O Reading Rocket" as the 1989/90 school year began. The Reading Rocket is a national reading appreciation and motivational program, currently offered in nine cities across the United States, with plans for more in the future. This year the program is expected to reach 1 million children in the third and fourth grades.

JELL-O provides free parent and teacher reading packets, teaching aids and interactive "JELL-O Reading Rocket" storybooks, developed by the Children's Television Workshop (producer of "Sesame Street" and other children's programming). JELL-O also provides a free brochure for parents called "A Galaxy of Reading Tips" to encourage reading at home.

The storybook, *The Great Space Chase*, follows the travels of a friendly alien in pursuit of a fugitive who is "light-years overdue" in returning a library book. Stops along the way include visits to the planets of mystery, humor, history and poetry—a delightful way to introduce children to different genres.

Domino's writes to employees for ideas

A new "bottom-up" approach. **"How would you like to be in my position?" is the theme of some 40,000 postcards being packaged for mailing to many of the 5,000 Domino's Pizza stores around the United States.**

"Companies such as ours are faced with the challenge to keep in touch with our field—the people who work in our stores," says Mike Orcutt, vice president of operations and the executive in charge of day-to-day operations of Domino's Pizza stores. "Without their effort, we wouldn't be in business. We want their input." That is why Orcutt is asking employees for ideas and opinions in his "If you were the boss" campaign. He also is promising to respond to each suggestion.

Rax targets "couch potatoes"

Nobody likes to be part of the furniture. **That's what Rax Restaurants, Inc., in Columbus, Ohio, is counting on as it rolls out its new ad campaign, targeted to "couch potato" customers. The ad introduces Rax's grilled-chicken sandwich and urges customers to take part in a Hawaiian Pro Bowl getaway promotion.**

Soviet chefs sample hot-rock hospitality

Detente over hot rocks. **Atlas Hotels, Inc., a regional San Diego-based hotel chain, hosted a reception and dinner for visiting Soviet chefs who took part in the Soviet Arts Festival, a three-week festival that featured Soviet art and culture. Here, executive chef Rolf Jung (far right) demonstrates hot-rock cooking, a specialty of the hotel's restaurant, The Gourmet Room.**

Conference for Food Protection announces 1990 meeting

The fifth meeting of the Conference for Food Protection will be held at the Colony Square Hotel in Atlanta, April 21–25, 1990.

The conference provides a forum for debate and discussion of current issues concerning safety in the production, packaging, distribution, sale and serving of food. It promotes the implementation of practices that enhance the quality of the national food supply.

The conference invites interested persons from regulatory agencies, industry and academic institutions to actively contribute to the development and implementation of practical food-safety policies.

For information regarding registration, membership and submitting issues of discussion, contact the Conference for Food Protection, P.O. Box 1468, Ann Arbor, Michigan 48106, (313) 769-8010.

Sobik's promotes its steak subs

When Sobik's Subs, a submarine sandwich chain in Orlando, Florida, ran its Project Steak promotion last fall, it featured 13 steak submarine sandwich variations.

"Historically, the steak subs are the most preferred item on our menu. We wanted to take advantage of the seasonal preference for hot items in the fall. Before deciding on Project Steak we tested the items in our corporate stores, and based on the unbelievable response to the sandwiches, we decided to take the promotion company wide," said George Salmons, executive vice president and chief operating officer of Sobik's Franchises Inc.

"The other nice part about Project Steak is that we were able to develop new sandwich varieties using existing ingredients. By doing this we eliminated the typical operational problems presented by adding new ingredients or implementing new procedures," added Salmons.

Elements of the promotion included western-themed graphics, in-store banners, counter cards, buttons, fliers, free-standing inserts, and the purchase of a radio schedule on eight stations.

Claim Your Steak
at Sobik's!

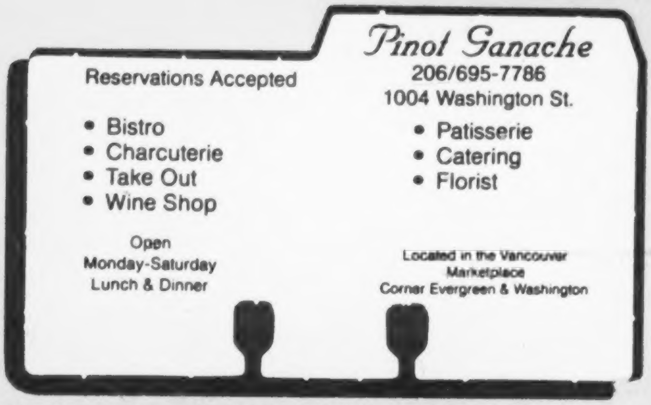
A business card—rolodex-style

Dear Editor:

Per your article on business cards in the November 1989 issue of ***Restaurants USA,*** enclosed is one of our business cards—rolodex style. Customers love it! We also carry the normal business card size.

I love your magazine!

—Lisa Carbone,
Pinot Ganache,
Vancouver, Washington



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No shoes, no shirt, no service—makes no sense

Every time I enter the door of a business that has a sign that blares out "No shoes, no shirt, no service" I bristle, turn and walk out. Whether it is neatly painted or crudely etched with a child's crayon, I find it offensive, belittling and absurd.

"No shoes, no shirt, no service" is an affront not only to the English language, but also to the customer who is the life's blood of every enterprise. I don't know the name of the fool who came up with this ghastly phrase, but I do know that he is one of the carriers of a dreaded disease that closes more businesses down each year than any other single cause—customer neglect.

As a business consultant, I am constantly advising companies about concerns that are important to their income and their profits. There is no issue higher in the awareness of business people than how to keep customers. It costs a company 15 to 20 times more to replace a lost customer than to acquire a new one. But it costs significantly less to keep a present customer happy.

Therefore, it makes very good (dollars and) sense for business people to do nothing that alienates, angers or injures a profitable and amicable business relationship. Any attempt, however common, to improve the conduct of customers, maintain the physical condition of the establishment or impart the policies of the restaurant should be done with customers' reactions in mind.

Anyone who deals with the public long enough discovers that there are customers who are obnoxious. We all know that children from homes where public manners are lacking and adults who have yet to grow up frequently violate common courtesies. But these people are in the crude-and-rude minority.

Regardless, there is a proper way to speak to people who take the time to drive to your business, park their cars and—from their hard-earned money—buy a product or service from you. They could just as easily go to your closest competitor; and if you do not serve them well, they will.

We spend thousands of dollars each year on advertising. We spend thousands more on various forms of promotion. And why? To convince people to buy from us. And then, having invested all this money, we meet them at the door with the warm and friendly greeting—*no shoes, no shirt, no service.* It makes no sense.

There is a more customer-sensitive way to communicate what you are trying to say without provoking anger or confusion: "We would appreciate it very much if all those who enter here are appropriately dressed. Thank you." Or, "Thank you for wearing shoes and a shirt while dining here."

You convey the same message, but you do it in such a fashion as to protect the precious and profitable relationship of the vast majority of your customers.

So take down the signs that offend those who ensure your profits and keep you in business. Good, sincere customer service pays off for everyone.

—Joe Sheridan,
president, J.A. Sheridan, Ltd.,
Barrington, Illinois

Readers are invited to comment on industry issues, ***Restaurants USA*** *articles and association activities. Send your opinions to Feedback,* ***Restaurants USA,*** *1200 Seventeenth Street, N.W., Washington DC 20036-3097. Submissions may be edited for length.*

WASHINGTON REPORT

New reporting laws outlive Section 89

When Congress passed Section 89 nondiscrimination rules in 1986, lawmakers added new filing requirements for employers who offer benefit plans. And even though Congress repealed Section 89 last November, reporting rules are still in place, and the Internal Revenue Service (IRS) plans to impose penalties on nonfilers.

Whom do the rules affect?

Since 1985 employers who offer group legal services, cafeteria-benefit plans and tuition assistance to workers have been required to file annual reports with the IRS about those plans.

In 1986 Congress expanded the requirement to include companies offering group-term life insurance, accident and health insurance, and dependent-care assistance programs. Congress also voted to increase the amount of information each employer must report.

The new reporting requirements take effect for benefit-plan years beginning after December 31, 1988. Reports are generally due no later than seven months after a plan year ends (although IRS permits employers to petition for extensions).

Companies are required to submit data using IRS's Form 5500 series. Many businesses already use this series to file annual reports on pension and profit-sharing plans. And most companies that have more than 100 workers and offer health benefits must fill out parts of the 5500 to meet ERISA requirements.

However, many companies with fewer than 100 employees may not know about Form 5500 or the new reporting requirements. The National Restaurant Association urges all association members who offer benefits to talk to plan providers and accountants about the new laws.

DC ROUNDUP

☐ **Employers must give certain workers notice of possible tax refund.** Within a week of furnishing employees with W-2 forms (Wage and Tax Statements), employers must notify all employees from whom no federal income tax was withheld that they may qualify for a tax refund under the federal government's Earned Income Tax Credit program.

The notice requirement does not apply to employees who claimed an exemption from withholding on their W-4 forms. Employers can meet the notice requirement by giving employees a copy of IRS Notice 797, "You May Be Eligible for a Refund on Your Federal Income Tax Return Because of the Earned Income Credit."

☐ **IRS releases Form 940-EZ.** Employers who want to cut the time they spend filling out their federal unemployment-tax return (IRS Form 940) may be able to file on IRS's new Form 940-EZ.

The form is for employers who contribute to just one state's unemployment insurance program. To get a copy of Form 940-EZ, contact the IRS at 1-800-424-FORM. *—Denise Roach*

New York, New York

How do you spot a trendy restaurant in New York?

It may be tough keeping up with all the hottest new restaurants in New York, but in spotting the telltale signs of dining trendiness, the 4,700 participants in the *1990 Zagat New York City Restaurant Survey* have the act down cold.

When asked to complete the phrase, "You know a restaurant is trendy when . . . ," their responses filled 72 pages of single-spaced descriptions.

"While our contributors love to be in on a trend as much as the next New Yorker—maybe more so—they're also wise to the pretense and artifice that account in some measure for the biggest instant success stories we've seen," says *Survey* co-publisher Tim Zagat.

You know a restaurant is trendy when . . .

Food

A dish of pasta costs $24

They have skate on the menu

They serve warm salads

They serve raspberry sauce on calves' liver

They serve blackened foods you've never heard of

They use words like "melange" to describe the special

They keep reminding you how extra-virgin the olive oil is

They put the sauce *under* the food

Corn comes in different colors

Cajun ice cream is a dessert

They serve food that grows wild in the desert

Dried tomatoes are in everything

They ask what kind of water you drink

You're still hungry when you leave

The food stinks but you can't get a table

Decor

The walls are turquoise or ochre

There's a lot of wood

The chairs are triangular

It's pastel-on-neon yuck!

It hangs an iguana from the ceiling

Pictures of it show up in *Metropolitan Home*

Adam Tihany designed it

It looks like Pee Wee's Playhouse

Philadelphia, Pennsylvania

Vegetarian food for meat lovers

When is a chicken not a chicken or a duck not a duck? And when are such dishes as "Szechuan pork" free of animal fat and cholesterol? Philadelphia restaurant-goers are discovering the answer to these delicious riddles at Harmony Vegetarian Restaurant, a new Chinese eatery where the menu—and the tastes—are in a class by themselves.

Although Harmony's extensive menu lists items such as beef, chicken, pork and duck, in reality no meat, fish, shellfish, eggs or dairy products are served. Oh, they all look like meat, and they taste like meat, but owner George Tang makes everything from vegetables, mushrooms, seaweed, pure

1990 ZAGAT NEW YORK CITY RESTAURANT SURVEY

Staff/service

It's got its own T-shirt

The waiters look like an Italian soccer team

"I can only seat you at 10:30"

"I can seat you at 6:00, but I need the table by 7:00"

"We don't have anything at all until the first of the year"

Crowd

Everyone's wearing black

The men are over 60, the women under 30

Biff, Buffy and their BMW are there

Everyone is tanned in February

The leather skirts and power stripes have moved in

People look like they have whiplash

People from one table kiss people from another table

Lots of long legs with short black skirts

People watch the door to see who walks in

Even the men are pushing back their hair

Out-of-town clients want to go there

It's in the media

Celebrities go there

—Zagat Survey

vegetable color and wheat gluten—with no MSG, artificial coloring or artificial flavoring.

Before he opened Harmony in August, Tang went to Hong Kong to learn his illusive brand of Hong Kong vegetarian cooking. Gluten, which Tang makes himself by washing the starch out of flour, is the key to his culinary magic. For example, a whole lump of gluten is quickly deep-fried, then sliced and marinated to become "beef." Or golfball-sized bits are deep-fried, then sliced and stir-fried to get the look and texture of a thin slice of chicken hanging onto its skin. Bean-curd skin, a natural byproduct of bean curd, comes "thin and crispy" for duck skin, and a "little more thick and soft" for chicken skin.

Not all the dishes on Harmony's menu involve deception, of course, but they do feature more than a bit of imagination. For example, seaweed and bean-curd soup is full of fresh bean curd and clouds of soft, richly flavored seaweed. Abalone mushroom with vegetables is a heaping serving of these unusual mushrooms, surrounded by mustard greens and steamed tomatoes and topped with a dried mushroom as big as a porcini. And the popular and plump steamed dumplings are colored red with carrot or green with spinach.

Most intriguing, however, has to be the restaurant's frequent special—roast duck. Bean-curd skin, spiced exactly like roast duck, is wrapped around sheets of ground taro and served in pieces like duck breast. The skin is even crispier that the real stuff, and the taro has the texture of real breast meat. With talent like this, you have to wonder what Tang could do to a Philadelphia cheesesteak.

—Philadelphia Inquirer

Great Barrington, Massachusetts

Tasty legal tender

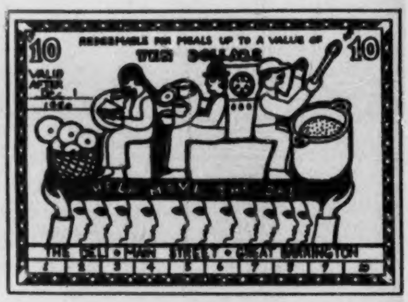
There's a new kind of currency floating around Great Barrington, Massachusetts, and it seems to be the kind that everyone in town can really sink their teeth into.

It's called Deli Dollars, a limited local currency devised last year to help a local restaurateur get money up front to move to a better site. The notes are in the form of $10 certificates that sell for $8 each, or $100 worth for $75—and they are redeemable for deli fare in 1990.

Frank Tortoriello, owner of The Deli, created the Deli Dollars with the help of Share, a nonprofit lending program that helps in the start-up of regional businesses. The notes are staggered in their validity dates, with more becoming usable during the busier summer months at this Berkshire Hills vacation town.

The enthusiastic response of the community, however, has made the Deli Dollars more than just sandwich certificates. For example, Ron White, a local record-store owner, is accepting the notes at face value toward purchases in his store. And one of the certificates even turned up in the collection plate at the First Congregational Church, where the Reverend Charles VanAusdall proclaimed it "a wonderful new capitalist experiment."

The Deli Dollars went on sale at the end of October. By December, Tortoriello had sold more than $3,000 worth of the bagel bucks—three-quarters of the total he planned to issue. One of the keys to the success of the new currency, says Susan Witt, administrator for Share, is that Great Barrington is a tightknit rural community "in which people are committed to doing things for themselves. The perception is when you help one, you help all." Tortoriello, she adds, is known for his community service, such as "quietly providing free meals to those who need them."


10
REDEEMABLE FOR MEALS UP TO A VALUE OF
TEN DOLLARS
10
VALID AFTER
THE DELI • MAIN STREET • GREAT BARRINGTON

The winning design of the burgundy-and-cream notes also is an important factor in their popularity, says Witt, because "people enjoy having them and giving them as presents." But for all the fun and good publicity, she adds, the notes must be considered serious business. "It's basically issuing yourself a loan, and it's important you don't issue yourself more than you can pay. Frank carefully looked at how much he could handle over the next year."

What's next? In the summer of 1990, Share is planning to issue another local currency, "Greensback," to local farmers who grow their own food. "Maybe," says Witt, "restaurants who buy from these farms could accept Greensback for meals."

—David Slater

W AD IN US?

A new decade is now upon us, bringing challenges and opportunities to the foodservice industry. Previewing the 1990s are the Gold Plate award winners of the last 10 years. The International Foodservice Management Association (IFMA) honors one individual every year for his or her pioneering style in the foodservice industry, by awarding the prestigious Gold Plate award. Here's what these innovators see coming in the next decade.

Service—first and foremost

The Gold Plate award winners of the 1980s agree that attentive service will be an important component of success in the 1990s. "We're gearing ourselves for the service industry, not just the restaurant industry," says 1980 Gold Plate award winner John Teets, chairman, president and CEO of Greyhound Food Management Inc. in Phoenix. "This means better service and better quality."

Restaurateur, consultant and 1987 Gold Plate award winner Joseph Baum points out that "attention to details is a must. The precocity of restaurants is tiresome and unfortunate. Customers go to restaurants to be together and enjoy themselves. People want a good time—so caring and interest are what's important."

by Alexis Harrison

Walter Conti, owner of Conti Cross Keys Inn in Doylestown, Pennsylvania, has also observed that in the '90s the industry will flourish if restaurateurs "meet the perception of the guest. We've got to make each person feel special, like he or she is one of the family. This means service with a smile—not silliness, not familiarity, but professionalism, which includes taking care of small details."

Much of this concern for intensive, high-quality service stems from what many in the foodservice industry see as the saturation of the restaurant market. Because of the multitude of restaurants, more establishments will be competing for the same customers.

Return to basic food continues

In addition to more attentive service, the 1990s will highlight fresh, nutritious, simply prepared foods. "Food got 'lighter' in the '80s—lighter sauces and dressings," observes Richard Melman, last year's winner of the Gold Plate award and president of Lettuce Entertain You Enterprises, Inc. in Chicago.

Conti says that the biggest trend in the 1980s was the return to "American basic foods," and that this trend is sure to continue into the 1990s. "Give customers a nice piece of meat or a good piece of fish and keep it simple and nutritious," he suggests.

He says that modern transportation has opened up new markets and a better availability of fresh foods, but he suggests that making a big deal out of freshness might not be good practice. "If a restaurateur starts proclaiming how fresh his food is, customers will wonder, 'What did he serve before?' " comments Conti.

"Menus are always changing," Baum adds. "Restaurants should take advantage of the new markets with fresh produce and high-quality, exotic goods. People remember products, and they want to remember dishes. Keep it basic—but not dull."

Dayton Public Schools Foodservice Supervisor Elizabeth Bender, 1985 Gold Plate award winner, has noticed that "more people were eating out in the '80s, and they became more conscious of nutrition." Bender says she sees technology aiding improved nutrition in the 1990s. "Computer analysis of meals will help us reduce sugar, salts and fats and increase fiber."

Jacques Bloch, director of food services at Montefiore Medical Center in New York and winner of the 1982 Gold Plate award, foresees an important role for the new nutritional in-

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*Alexis Harrison is an intern at **Restaurants USA.***

formation in health care. "Hospital chefs of the future will be nutritionally more knowledgeable, and hospitals will have more nutritionally correct meals based on results of recent scientific findings. And we will continue to deal with increasingly knowledgeable patients," says Bloch.

Exciting changes in decor

Exciting changes in decor are also expected. "There will be a lot of diversity in restaurant design," says Melman. "Some decors will be old-fashioned or 'clubby,' and others will be modern. There will always be people who like vanilla, and others who like butter pecan." Restaurant decors usually go through five to 10-year cycles, says Conti, but he sees that changing. "I think places will be built that will last for more than five years. We'll continue to move away from coatrooms and side-by-side seating. Gone are the days when you always put a lady in the best seat."

Ted Balestreri, 1984 recipient of the Gold Plate Award and co-owner of The Sardine Factory in Monterey, California, sees two main styles coming. "The first is very avant garde, with some exciting changes. At the same time, there will be more nostalgic decors. As things become newer, faster and more technical, people cling tighter to the past."

Even schools and health institutions are planning on redecorating. Bloch sees boutique-style service and self-service at hospitals that can afford it, and Bender says more and more schools will renovate their cafeterias to make them a more pleasant place—school budgets permitting.

Overall, the move is toward a more casual atmosphere. Melman says he likes to be able "to eat high-quality food in jeans," and thinks his customers do as well.

Baum calls this development "casual elegance." Balestreri agrees that "baroque-type restaurants will have a harder time with acceptability, although I appreciate them. Most people are too impatient for grand dining."

Conti, on the other hand, hesitates to dismiss the popularity of formal dining, although he did open a second, less expensive restaurant last year. "On Saturday nights, customers are dressing up," he notes. "But restaurants are becoming more casual in the sense that customers will no longer go to a place where the employees look down their noses at them."

Teets strongly disagrees with the view that casual is "in." "Casual is being overdone," he asserts. "People want to dress, want to look nice. A restaurant will be successful if it provides a formal environment."

Bleak government outlook

Aside from internal issues, these foodservice leaders are concerned about government interference in the foodservice business. Balestreri has been very active in the legislative process, and he believes restaurateurs have to keep a constant vigil on our lawmakers. "Keep the government out of our kitchen" is an old saying Balestreri believes in. He says one of the first political crises of the 1990s will be the FICA law, which taxes tips. "This is paramount to discouraging fine dining," Balestreri says.

Conti also feels strongly about getting involved in the political process. "We have not represented our side of the industry very well. I don't think we're able to articulate our positives to Congress. Our image is hurting, and it hurts our business," Conti says. He cites the Americans with Disabilities Act as an example of the sensitive issues that will be important to the foodservice industry in the 1990s.

"One of our biggest threats is Congress," warns Teets. "They have the ability to make laws that don't make sense. We have to remain vigilant."

New management style

With all the changes coming in the 1990s, the Gold Plate winners recommend that restaurateurs change their management styles accordingly.

"The 1980s was the period of input groups and communication," says Balestreri. "Leadership is the key for the 1990s—not only in restaurants, but also in our country as a whole. Our country needs strong leaders."

Teets practices what he calls participative management, a concept similar to bottom-up management. "This idea has been around for 20 years, but it's not practiced enough. We need to practice what we preach," Teets says. Bender plans to use "all-encompassing management to deal with all the new problems we'll face."

Although Melman doesn't put a name to his management technique, he says management is a fascinating part of the industry. "One of the interesting things about a restaurant is that you don't just build it and then let it sit there until the lease runs out. It's constantly changing, so management needs to be changing, too, and updating its management style."

Personal plans are prudent

As far as his company is concerned, Melman says he is just concerned with being the best he can be—the best independent operator. "I take each next step one at a time," says Melman. Although widely known as an innovative restaurant entrepreneur, Melman insists he doesn't have a special method of developing new restaurant ideas. "I don't sit down and think, 'What's going to be the next trend?' I just do what I think is good, and stay in touch with the customers. I talk to people and give them what they want," explains Melman.

Balestreri has also adopted a prudent pace. "I plan to get into one new concept at a time and finance multiples of that one, instead of getting into many ideas at once. We must also own the property before investing in a fine-dining restaurant. The value of owning the real estate is a hidden profit."

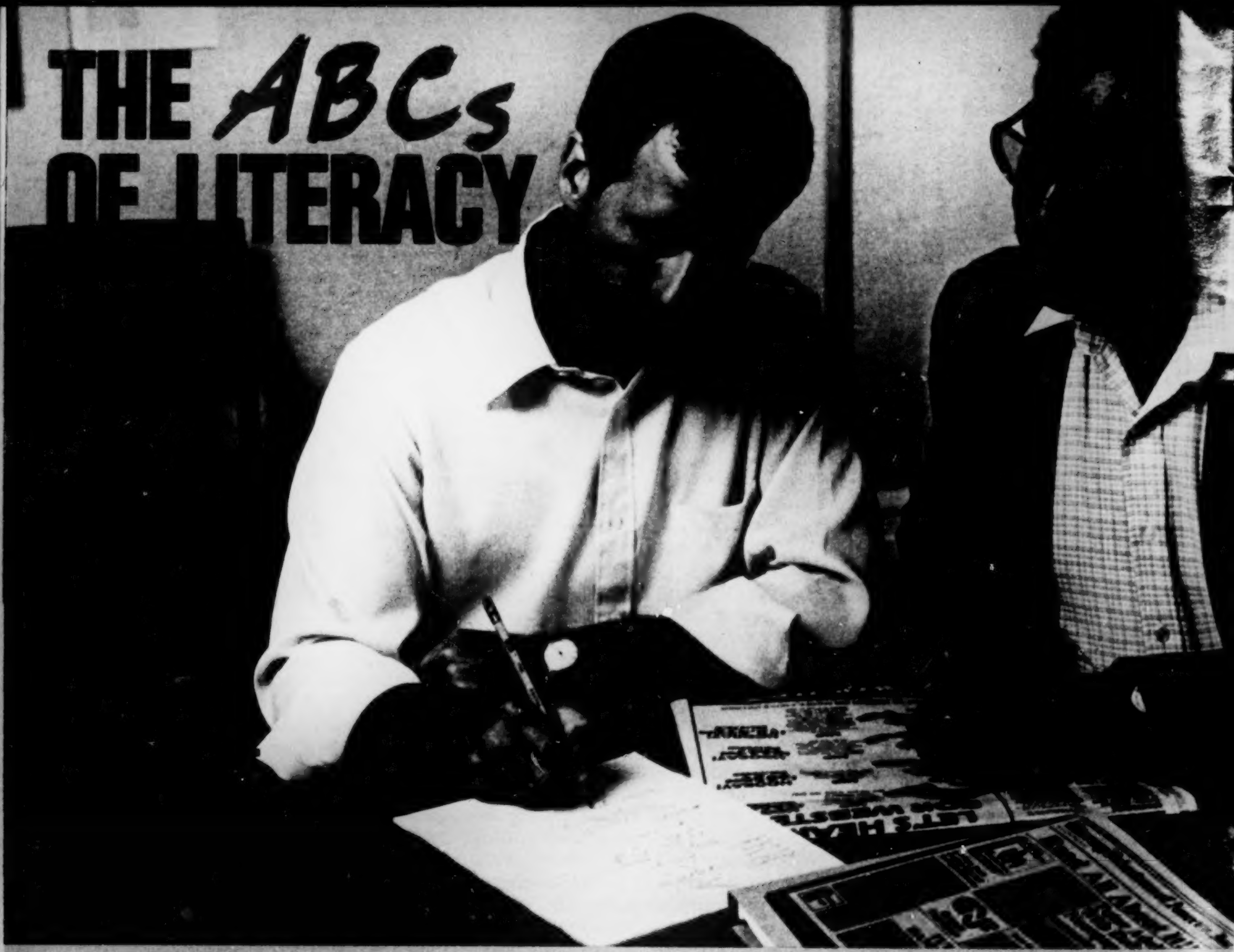
Reevaluating old values and adding new nuances for success is what Conti Cross Keys plans to do in the 1990s. Says Conti, "We'll be concentrating on menu, service, management and beverage responsibilities."

Baum's direction for the 1990s is straightforward. "We're headed right to the dinner table, where we'll continue to try to please the customer."

To survive the '90s

Now is the time to start looking ahead, all these leaders say, making changes and improvements to prosper in an exciting new decade. ❑

THE ABCs OF LITERACY



Despite a keen sense of public urgency to solve our nation's social problems—from drugs and homelessness to solid waste—there is a feeling of optimism and hope for the future. Volunteerism and old-fashioned values are experiencing a resurgence. Those who spent the 1980s accumulating wealth and status are starting to look for ways to give back to society. Just as the 1980s will be remembered as a decade of toppling international barriers, the 1990s could well be the decade for national introspection.

It is not just individuals reaching out to help others. The business world is looking to get involved, too, and restaurateurs—with a strong history of community involvement—can step forward as leaders in their communities. What roles do restaurateurs play in their communities and what can restaurateurs do to help solve society's problems? These are the questions **Restaurants USA** *hopes to address in its "Restaurants and the Community" serie*

This first article in the series looks at literacy in th workplace. For a country of its size and international prestige, the Unite States has a staggering illiteracy problem. Approximately 4 percent of Amer can adults cannot read o write—and this figure masks the 20 percent of functionally illiterate

photo courtesy of Literacy Volunteers of America

adults who can read enough "to get by." How can America possibly stay competitive in the world's marketplace when it cannot even depend on its workforce being able to read a job application form—never mind a complicated computer manual?

Literacy programs are one way that restaurateurs are proving they care about their communities and are committed to making a difference.

As recently as 10 years ago literacy aid was a matter of "doing good"—but no more: Today it's a matter of economic survival. "Every hotel and restaurant in this country has a literacy problem, whether it knows it or not," says Bessie Lee, executive director of the Greenville Literacy Association in Greenville, South Carolina.

William J. Bennett, former Secretary of Education and now the nation's "drug czar," reported that as a nation, "We are still perilously far from closing the gaps between what we need in the workplace and what our schools are turning out."

According to the Business Council for Effective Literacy (BCEL), located in New York City, profound changes in the structure of the workplace now make literacy skills more important than ever before, and the need for these skills will grow in the years ahead. And yet an alarming percentage of adult literacy students who have a high school diploma cannot effectively read or write.

Yusuf Kassam, director of programs for the International Council for Adult Education in Toronto, Canada, estimates that "20 percent of American adults are functionally illiterate; and of that 20 percent, perhaps a quarter to half are totally illiterate."

"Functional illiteracy holds back all employees in terms of lost productivity, advancement opportunities and, ultimately, a company's profits," says Paul Jurmo, senior program associate of BCEL.

So what can a foodservice employer do? Because 1990 has been designated by the United Nations as the International Literacy Year, it is a good time to join the effort to combat the global problem of illiteracy by starting out in your own backyard—or kitchen, as the case may be.

"Tenfold returns"

About three years ago, Patti Sussman, director of personnel at the Mariner's Inn in Hilton Head, South Carolina, suspected a widespread literacy problem among employees. She sensed that "The quality of our applicants was just not what we were looking for—not because they weren't bright, but because of missed opportunities. Many could not read recipes or job descriptions."

Sussman posted a sign announcing free literacy tutoring at the Inn—on company time—by volunteers from the nearby Beaufort Literacy Council. The response was dismal. Sussman tried another tack; she changed the name of the program from "The Literacy Program" to "Career Development." Sussman reports, "A lot of people did sign up, but I knew there were more out there."

"Then I decided to put a note about the program in the paycheck envelopes," recalls Sussman. "The next thing I knew, all these people thought they had been terminated. Without really thinking, I had printed the notes on pink paper. It really showed the need for the program, but in an ironic and painful way. A lot of these people had a high school education, too, but they couldn't even read their diplomas."

Sussman says she decided the problem was important enough to bring in tutors a few hours each week to work on basic math, reading, writing and grammar skills. All types of employees have participated—from waitresses to supervisors. And because the tutoring is open-ended, employees can stay with the program as long as they feel they need help. The program costs the inn $4,200 per year in time spent not working, but says Sussman, "the time we allow for this program has been returned to us tenfold in increased productivity."

One unexpected benefit of the program is the notable growth of employees' personal independence: "I see a real improvement in personal pride. For the first time in their lives, a lot of these people are able to understand employee-insurance policies, use a checking account, get a driver's license or simply read to their children."

Although the program is still called "Career Development," the stigma initially attached to the literacy program at the Mariner's Inn has now become positive word-of-mouth advertising.

Joan Herlong is a freelance writer in Greenville, South Carolina.

"Now," beams Sussman, "applicants often says 'If I get the job, I'd like to sign up for the Career Development program, too.' "

How to spot illiteracy

Bessie Lee says there are many clues for detecting employees who cannot read well. "These are not stupid people, but they feel a lot of shame about it," Lee advises. "You can often tell at the application stage by such comments as, 'May I bring this application back tomorrow?' 'Could you clarify these directions?' and 'I forgot my glasses, I'll have to bring this back later.' These are all common ways they get around reading."

It also happens that a good employee who does one job well may actually quit when offered a promotion rather than have to admit that he or she cannot read well enough to do the new job. According to Lee, the illiterate often rely on a keen memory or symbols to get along, and they become so adept at doing so that they are hard to detect. Restaurants in particular have so much routine and repetition built into the system that illiter-

WELCOME
BURGER KING A
STUDENTS

Literacy one step further

While many literacy programs focus on adults who "fell through the cracks" in schools, several foodservice operators are taking a more future-oriented approach and targeting today's youth. Among them are Burger King Corporation and Pizza Hut.

Helping at-risk teens

As part of its overall "Education Enriches Everyone Program," Burger King, in partnership with Cities in Schools (CIS), Inc., and the U.S. Department of Justice, has established "Burger King Academy" in 10 cities across the United States in the fall of 1989 and through this spring. CIS is the largest national dropout prevention organization and a public/private partnership.

As the major private partner, Burger King provides funding, jobs for academy students and communications support for the Burger King Academy. Local school boards and community social services represent the public contribution to the schools.

The fully accredited high schools are geared to serve the needs of "at-risk" high school students who face problems with pregnancy, substance abuse or crime, as well as teenagers who have already dropped out of school. The goal of the Burger King Academy is to use a nurturing, personalized approach to get these troubled students back into the mainstream as contributing members of society.

Barry Gibbons, chief executive officer for Burger King, points out that "One million kids drop out of school each year. This not only takes a toll on human lives, but also costs this country billions of dollars each year in lost tax revenue, welfare, unemployment and crime prevention. It also costs American businesses a combined $25 billion a year to train people to read, write and count."

At each Burger King Academy, about 125 students receive individualized instruction in such "basics" as math, reading, writing and verbal communication. In addition, the schools' curriculum includes employment and job skills, training and career placement opportunities. Unlike most other public or private high schools, Burger King Academy provides social services such as health care and personal/family counseling.

Burger King Academy students also get on-the-job training through internships offered by local businesses, including Burger King franchises.

Feeding an interest in reading

Many educators believe that a love of reading is best fostered in young children. Pizza Hut is among those corporations that have focused their literacy initiatives on elementary school children. Five years ago then-president Arthur Gunther, appalled at the low literacy level of job applicants, decided to do something to motivate kids to read more. And so the company began its "Book It!" program.

Book It! is a five-month program, begun each October, for grades one through six. All materials are sent to any classroom or school from Pizza Hut free of charge. The teacher sets monthly reading goals for each child in the class; this way children develop at their own pace, rather than competing against others in the class. As a child's monthly reading goal is met, he or she earns a "Free Pizza Award Certificate," redeemable at a participating Pizza Hut restaurant. There is no purchase required.

Pizza Hut managers are trained to recognize the Free Pizza Award as a very special achievement. In addition to the free personal pan pizza, the manager awards the child a button with a star on it. "The recognition the child receives for meeting his reading goal is at least as important as the free acy can and does exist in positions from the chief cook to bottle washer.

It takes courage to come forward

Marty Finsterbusch, cook at Villanova College in Villanova, Pennsylvania, is a case in point. Finsterbusch is good at what he does, but until recently, he could not aspire to a position with more responsibility. Finsterbusch had completed high school, but before he sought literacy help, he read at about a fifth-grade level.

Students at the Philadelphia Burger King Academy receive personalized instruction in a nurturing environment. Philadelphia is one of 10 Burger King Academies supported by a public/private partnership, including Burger King, Cities in Schools and the U.S. Department of Justice.

pizza," says Eunice Ellis, director of the Book It! program.

If a child completes all five months of the program, he or she receives a special Book It! honor award given by the school principal. The program has been so well received that many schools incorporate the Book It! honor awards into the regular honor awards ceremonies. In the event that all the children in a class complete any four months of the five-month program, the class and teacher enjoy a free pizza party at the Pizza Hut restaurant.

Book It! has grown from 230,000 classrooms in 1985 to well over half a million in 1989, plus some 7,000 in Canada. According to Ellis, "The feedback has been tremendous and positive. Pizza Hut plans to continue the program indefinitely. Our current president Steve Reinemund is very committed to it, and we try to develop a new incentive each year to keep it interesting. This year, we're sponsoring a 'Best Book I Ever Read' poster contest. A winning poster from each grade will be selected, plus a grand-prize winner."

Ellis adds that although Pizza Hut has put its emphasis on children, it also takes advantage of opportunities to support other literacy programs, which include helping other businesses become involved in reading and education programs. Ellis urges interested businesses to call her at 1-800-4-BOOK IT or write to Book It!, P.O. Box 2999, Wichita, KS 67201.

"I learned by listening, learning and watching—by doing," says Finsterbusch. "There are lots of ways to get around not reading, lots of little tricks to help you along.

"I have brains," he declares. "I lacked a skill, that's all. At the advice of a former teacher, I went to the local literacy council. I would never have done it myself, because of the stigma attached."

Finsterbusch is glad he "went public" about his reading difficulty—but, unfortunately, he had to pay a price. "I got banged around a lot at work," he recalls. "Nobody openly admits it. My good raises stopped, and I lost my position for a while. But I stuck with it. Eventually the raises started again, and I got my position back. Now a lot of other people where I work are either attending a literacy program or helping out as tutors."

Finsterbusch feels very strongly about the benefits to be gained from helping illiterate employees. "If you help someone achieve the added skills of learning to read, you'll have an even better employee. I also feel strongly that an employer should not use a 'witch hunt' or some kind of a test to root out those who can't read and then force them into a literacy center. You cannot force someone to learn. But you've got to make it available for someone who wants to learn. Make it visible, be supportive."

A "grasp" on opportunity

That's just what restaurateur Jose Venzor has done in his three Carmen's Pizzeria restaurants in Chicago and Evanston, Illinois. Venzor has a personal interest in helping any of his 200 employees learn basic literacy skills and English. "I came to this country when I was 18," Venzor recalls, "and I entered the University of Illinois without knowing any English. I know how tough it can be. I want to give these guys a break."

The "break" Venzor refers to is the on-site literacy program. Developed by GRASP, Inc., a nonprofit literacy center in Evanston, the on-site program at Carmen's Pizzeria has run on and off for the past six years with tremendous success.

To date, about 150 employees, mostly busboys and kitchen personnel, have voluntarily attended classes, which meet in groups of 12 twice a week for a total of four hours. Almost all of the students started out with limited or no English language ability. Some were also illiterate in their own language, Spanish. Since taking the course, several employees have been promoted to managers, and others have gone on to such diverse careers as medicine and engineering.

As literacy educators have observed, such changes are common. "We see people, particularly women, change before our very eyes when they start really reading. The difference is just unbelievable. They take pride in themselves. One student recently said, 'I now believe in myself!' They become completely different human beings," says Bessie Lee.

Deciding to sponsor the program on company time was easy for Venzor. "There is some down time between lunch and dinner in this business. I was paying people to be there, anyway, and I thought we could use that time more productively," Venzor explains.

Mavis Whitaker of GRASP, Inc. handles the program that she personally developed for Carmen's Pizzerias. "We use a workplace-based curriculum, nothing 'canned,' but material that will benefit them right away," says Whitaker. "We help them do their jobs better, as well as learning to read and write better. For example, when Carmen's developed a new menu, we incorporated it into the class so the students could learn all the new sauces and pastas right away."

The fact that the learning is relevant and not rote, and that the learning context is more social, removes many of the barriers found in schools. "The single most important thing in teaching anything effectively is to build on something the students are already interested in," Whitaker emphasizes.

How well the approach works is evident by the fact that there is currently no class going on at any of the Carmen's Pizzerias. This is not because Venzor's support has changed, but rather the last group "graduated" to local community colleges or other educational centers. ❑

PARTNERSHIPS
HOW TO MAKE THEM WORK

Good partnerships, like good marriages, are made in heaven. So say those who make them work every day. It isn't easy to share the responsibility of running a restaurant. Yet, a good number of restaurants are run by some form of partnership.

by Kathy Boyle

In the same way that marriage counselors describe successful marriages, partners will tell you it takes devotion, respect and the ability to listen to a fellow partner to make a success. Early financial success does not hurt, either. Those who make a partnership work point to the advantages—the luxury of being able to take a vacation, to forget the operation on occasion, to be sick, to attend a meeting and to expand into new ventures without neglecting the existing business.

Kathy Boyle is a freelance writer in Rockville, Maryland.

Start with a dream, add chemistry

The key ingredients that can smooth over even the roughest of times in a partnership are a shared dream and a good personality match. The glue that still holds together the mother-daughter duo of Sandra Philbrick and Christine Sarcione, owners of the 300-seat Pond View Restaurant in Kingston, New Hampshire, is the determination to make their dream come true. They both saw beyond the tiny one-room hamburger joint sitting on the edge of a pond. Since Sarcione and her mother bought the original Chuck Wagon restaurant 12 years ago, they have worked hard to bring their dream to reality. "We started putting up Colonial wallpaper, changing the menu and adding new china and crystal." Today, the restaurant has taken shape in the way they planned together. There are seven dining rooms, five of which face the pond, and each has its own distinctive decor—each table in the restaurant is unique, with its own color of linens, china and crystal settings.

Besides a shared vision, partners' personalities should mesh as well. Ted J. Balestreri, longtime partner with Bert Cutino in their 220-seat restaurant, The Sardine Factory in Mon-

ROUTH STREET CAFE
STEPHAN W PYLES

Partnerships can take many different forms. At the far left, The Shore Bird restaurant partners, Nick Dunn, Bill Main, Bill Gillespie and Rob Buckley, are a "team of specialists." In the center, Routh Street Cafe owners, John Dayton and Stephan Pyles, share an office to maintain close communication. At right, Ted Balestreri and Bert Cutino of The Sardine Factory claim their partnership's success is based on good chemistry.

terey, California, and now in nine other restaurants as well, contends that compatibility is the single most important element. "Chemistry is more important than talent. You have to like each other and be able to get along. If the chemistry is not right, you cannot survive," he says.

Similar backgrounds can make for a harmonious match. A connection is obvious when family members go into partnership, but similarities can grow out of an educational experience (Cutino and Balestreri were college roommates) or a shared work background. The team of Salameh and Michel Nazzal of the 135-seat restaurant Anton and Michel in Carmel, California, combines many of these elements. The two are cousins who were raised together in the Middle East and then studied together at the Hotel School in Lausanne, Switzerland. "After hotel school I went to the United States and worked for the five-star Quail Lodge resort in Camel Valley, California, and Michel went back home and worked in his family's hotels," recalls Salameh Nazzal.

However, the two never stopped planning for the dream they shared of opening a restaurant together. In May 1980 they made their dream a reality and opened Anton and Michel.

Divide up the work and work hard

It takes more than a clear vision and proper chemistry to make a partnership work. In the 15 years they've been together, the four partners of The Shore Bird restaurant in Princeton-by-the-Sea, California—Bill Gillespie, Bill Main, Rob Buckley and Nick Dunn—have learned a lot about making their partnership work. "I think one of the keys that makes it work for us is that every one of us has been the general manager of the restaurant at one time. Each of us knows every aspect of the operation, and everyone has been in the trenches," says Bill Gillespie.

Over the years, however, each of The Shore Bird partners has had an opportunity to grow toward the part of the operation that interests him the most. "Over the years, responsibilities have evolved towards each of our natural skills and interests," explains Gillespie. "For example, Nick takes care of the bar, front of the house, and mechanical things. Rob's main area is the kitchen and menu development. Bill takes care of the financial, legal and investment aspects—getting us loans and keeping good relations with the bank. And I manage banquets, public relations, advertising and marketing. Plus, since I like the aesthetics part of the restaurant, I take care of seasonal decor and the gardens.

"I think what is important is that we all know what each of us does. We all overlap with one another," Gillespie continues. "Although we have evolved into specialists, we respect each other's experience and capabilities. And if we need to, we can fill in for each other. For 90 percent of the time, we do our own thing; and then for 10 percent of the time, we help the others. It may be a subtle thing, but 'our business' versus 'my business' is an important matter."

Brothers W.K. Franke and Chris Franke, owners of cafeterias in Little Rock, Arkansas, divide their workload by location. Each brother runs his own restaurant yet each shares in all the work of the company. W.K. Franke believes this attitude of being less self-centered and more partnership-centered is an important aspect in making a partnership work. "Although I am nine years older than Chris, and my title is president and his is vice president, I am not Chris's superior," says W.K. Franke. "Each of us has an area of expertise. Mine is financial and administrative. Chris's is advertising and buying," W.K. Franke explains. "No matter what our expertise or job title is, each of us does what needs to get done."

Easing the workload

The early years of a partnership can be grueling: The hours are long and there is always plenty to do. The hard work seems to bond partners together. Balestreri fondly remembers, "The struggling made us close in the early days. Back then, I would work a shift in my tuxedo and then go out and plant the garden. Or for a break, the two of us would get down under the sink and fix it."

Such a pace can eventually sour a partnership, however. To prevent such mishaps, a number of partners have learned to step back, adding managers so they can have some time off and keep an eye on the big picture.

Philbrick and Sarcione contend that adding capable managers has made all the difference in keeping the partnership running smoothly. "At first we both worked all the jobs—but the front of the house makes my mom more nervous. I have more patience for the front of the house, so now we are both where we are the happiest. My mother now works every day from nine to five keeping the books and doing the ordering. I am here every night. In the early years we both worked all day and all night. But today I have excellent management help," says Sarcione.

Although the formula has changed for the team of Balestreri and Cutino—Balestreri takes care of the front of the house, management and accounting, and Cutino takes care of the kitchen—"as things have evolved over the years, we manage people, rather than places," reports Balestreri. "We are fortunate that from the beginning we were smart enough to hire good people."

John W. Dayton and Stephan W. Pyles, owners of Routh Street Investments in Dallas, have similarly shifted their focus. "At first when we just had the Routh Street Cafe, Stephan did the menu and the kitchen and I ran the front of the house, the service staff, the wine program and business operations. Today it is pretty much the same, but with four restaurants we are less involved in a particular cafe and spend our time overseeing operations in all four restaurants. For example, instead of running one kitchen, Stephan develops food concepts and menus at all four restaurants," says Dayton.

Sharing a dream is the beginning of any partnership. Certainly a little early financial success breeds respect for fellow partners. Compatible personalities help make it stick together. And hard work makes it endure the test of time.

A business plan prevents squabbles

Dividing the money is the next essential matter. And where money is involved, there is the potential for disaster. "Do not confuse friendship with business," says Gillespie of The Shore Bird. "Even if you start as a couple of good buddies with a dream, remember that you do not start a business on friendship. It is best to have a business structure—a legal document in writing—with defined responsibilities for each partner, defined compensation and explicit areas of accountability."

"Things change over the years," he continues. "More money is involved. Partners have girlfriends, get married and have children. What might have started as young single guys helping each other with the rent is now a big business. Without a solid business plan, things will crumble." Although any percentage can be agreed upon for sharing the profits, many partners are adamant about sharing equally. "We share equally in everything, and we have since day one," says Balestreri.

Handling delicate situations, delicately

With a written partnership agreement certain problems can be handled smoothly, such as sale of one partner's share. For example, when the husband/wife team of R. Kerry Mitchell and Deborah Seguin—owners of Freestone's, an 86-seat restaurant in New Bedford, Massachusetts—first started in business, they had a three-way partnership, which included their friend Michael Galsuza. At that time the partnership was split three ways—25 percent went to Mitchell, 25 percent went to Seguin and 50 percent went to Galsuza. By their third year in business, when their operation was up and running, the partners started getting offers to do other restaurants. "All three of us looked at the offers together, but one was just too good for Michael to pass up, so Debbie and I bought him out," recalls Mitchell.

A written agreement can also lay out clear ground rules in day-to-day operational matters. For example, Gillespie and his partners, like many other partnerships, have faced the difficult question of hiring girlfriends, wives and children in the business. This is something that can tear apart even the best of partnerships. "If you have legal agreements ahead of time, then there are fewer problems," thinks Gillespie.

Balestreri agrees. "We do not want to put ourselves in the position of conflict, and we avoid minefields. We do not hire relatives because it could possibly add friction."

However, if the partnership does experiment with hiring relatives, it is best to get all the partners' prior consent. "Hiring relatives is something you have to handle with discretion and common sense," says Gillespie. "If it does not work, you have to end it. It is a matter of business survival. Even though common sense told us otherwise, we have experimented with family workers over the years. Our experience is that it is not a good idea. However, with the kids it is a little different. It is a little easier to treat them like other employees. Each partner can tell his child: 'It is not my operation; it is our operation. You are working for my partner. It is my partner's business, too.' "

Open communication tempered with diplomacy

Open and frequent communication between partners is essential for long-term success, but it should be tempered with a sense of diplomacy. In the modern-day era of assertiveness training, individuals often forget there is a person with feelings on the other end. "Just like in a marriage, you must have sensitivity to each other's feelings. We try to think before we say something," says Gillespie. Partners note that this is not an inborn skill but one that must be learned.

Communications between partners are usually frequent—often daily. Despite separate locations, the Franke brothers keep in constant contact, either seeing each other every day or talking by phone. Dayton of Routh Street Investments notes the high priority he and Pyles place on daily communication: "We have shared an office since our first day in business. Our desks are no more than five feet from each other. Even when we moved our offices across the street last year and we had the option of moving to separate offices, we chose to keep ourselves side-by-side in the same office."

Successful partners tend to put a premium on the other partner's opinion. "Even though we have a division of responsibilities, Stephan never makes a menu without dropping it on my desk for comments, and when I do interviews, Stephan is sitting right there. I might add that it is not always the most efficient method, but it is one we won't change," say Dayton.

Trust between partners

Early financial success provides the bonding in a partnership by building esteem and trust for the fellow partner. Dayton recalls, "I think our early success helped us. We gained confidence in each other. We knew that we must be doing something right."

The advantages of trust in a partnership are immense. "Partnerships can be tough," admits Salameh. "But when you have 100 percent trust in your partner, you have no hesitation to leave everything in your partner's hands. For example, when Michel has to go back to the Middle East to run some of his family's business, he can leave everything in my hands. And when I want to take two or three months off and go to Europe with my family, as I have in the past, I can do it. There is no doubt my partner will spend the time it takes with the business."

Nurturing each other's professional development

Partnerships that endure the test of time seem to be those where each partner nurtures the other's personal and professional development. Such development can lead partners into new lines of business or it can lead them to leadership roles within the industry.

Balestreri points out that his partnership's growth into other restaurant concepts and other lines of business had its positive effect. "If we only had one restaurant, it might have been hard for one of us to blossom. Although it is very time-consuming to have other restaurants, it gives a good opportunity for the personal growth of all the partners," he says.

Salameh and Michel Nazzal took a long-time planning and researching the location and cuisine for their second restaurant, Tony's American Bar and Grill, a 215-seat establishment in nearby Monterey. The project added to their financial success and contributed to their professional growth.

Avoiding problems in a partnership

☐ Do not go into it strictly for money.

☐ Do not choose a partner solely on the basis of talent.

☐ Do not hire relatives.

☐ Develop a formal, legal business plan.

☐ Listen to your partner's opinion.

☐ Share the workload, and as success sets in, lighten the workload by adding competent management.

☐ Do not go into a partnership if your vision is so strong that it is uncompromising. If you cannot yield occasionally to another partner's suggestion or tolerate things done other than your own way, you are better suited to a sole proprietorship.

☐ Recognize that 90 percent of the problems come from incompatibility of partners' spouses and families.

☐ Look at and plan new business ventures together.

☐ Over the years, try to achieve professional growth simultaneously.

It also helps to maintain balance in a partnership if both partners receive recognition. "Over the years both of us have received a certain amount of industry recognition. If we both had not been moving ahead, it might have been difficult," says Balestreri. "Although I served as president of the National Restaurant Association, Bert has received recognition as well—as regional vice president of the American Culinary Federation."

In sum

Sharing a dream is the beginning of any partnership. Certainly a little early financial success breeds respect for fellow partners. Compatible personalities help make it stick together. And hard work makes it endure the test of time.

Although there are no guaranteed formulas for success, recognizing what the other person does best and letting him do it unhampered certainly helps to make for a happy partnership. Finally, keeping everything in writing forestalls friction.

On-site childcare and frequent-diner bonus plans are among the features 7,100 frequent diners in New York and Los Angeles—participants in *1990 Zagat Surveys* for the two cities—said they would like to see in restaurants.

"Our participants, who have never been shy about voicing their gripes, really applied themselves this year with some inventive ideas on how to combat a number of age-old problems—inattentive service, noise, high prices and no-credit-card policies, even drunkenness and reservation problems. There may be a goldmine waiting here for the venturesome restaurateur willing to give some of these suggestions a try," says *Survey* co-publisher Tim Zagat.

Special services

Max Karl Winkler

Call buttons on tables to summon waiters

On-premises child care and babysitting

Adults-only rooms, family rooms and rooms for romance

Group tables for singles

Car services to and from restaurants (New York)

Computerized menus—no more "Hi, my name is . . . "

Kinder, gentler maitre d's

Open-kitchen tours for diners

Restaurant gift certificates

Temporary vestibules in winter (New York)

Portable phones, faxes for table use—real working lunch!

Hot hand and face towels before/after meal

24-hour dining

Drive-through dining pickup for cabbies (New York)

Money matters

SALE! MENU
Menu

Restaurant credit cards—"send my bill home"

Discounts for using cash, like at gas stations

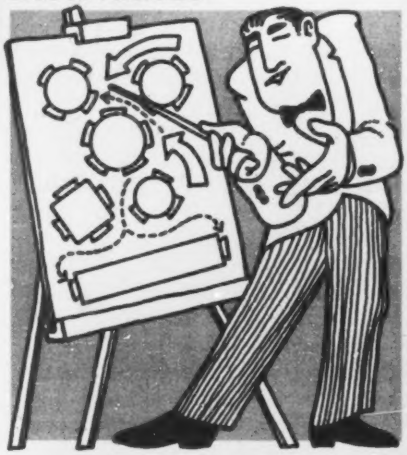
Frequent-diner bonus plans—earn free meals!

On-site ATM machines at no-credit-card joints

Special sale weeks, like department stores

Money-back refunds for certain infractions—miscomputed check, inedible entrees, rude service

Reservations



Centralized reservation systems, like Telecharge—"Sorry, Lutece is all booked for that night—how about Quilted Giraffe?"

Seating charts and seating preferences like in theaters

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N A RFECT ORLD LL URANTS OULD E. . .

Complimentary bar bill if reservations are not honored in 15 minutes

Free meal if not seated within half-hour of reservation

Charges on credit cards for no-shows

Personalized decor

Cones of silence for when it's too noisy

Individual climate control

Adjustable lighting for each table

Food matters

Calories/cholesterol content available on request

Pepper mills left on table

Roving hors d'oeuvres carts, like dim sum

Half-sized portions of entrees and desserts

Option of ordering without butter or salt

Good, simple home cooking—like Mama's

Macrobiotic business lunches

Nostalgic revivals

Free iced-tea refills

BYOB with corkage fee

Second pot of tea free

Bring back cafeterias (New York)

Return to supper clubs—dining and dancing

Water without asking

Caraway seeds back in the rye bread (New York)

Return of Schraffts, Luchows and Chock Full O' Nuts (New York)

Parisian-style breakfast with huge cups of cafe au lait

Social-conscience innovations

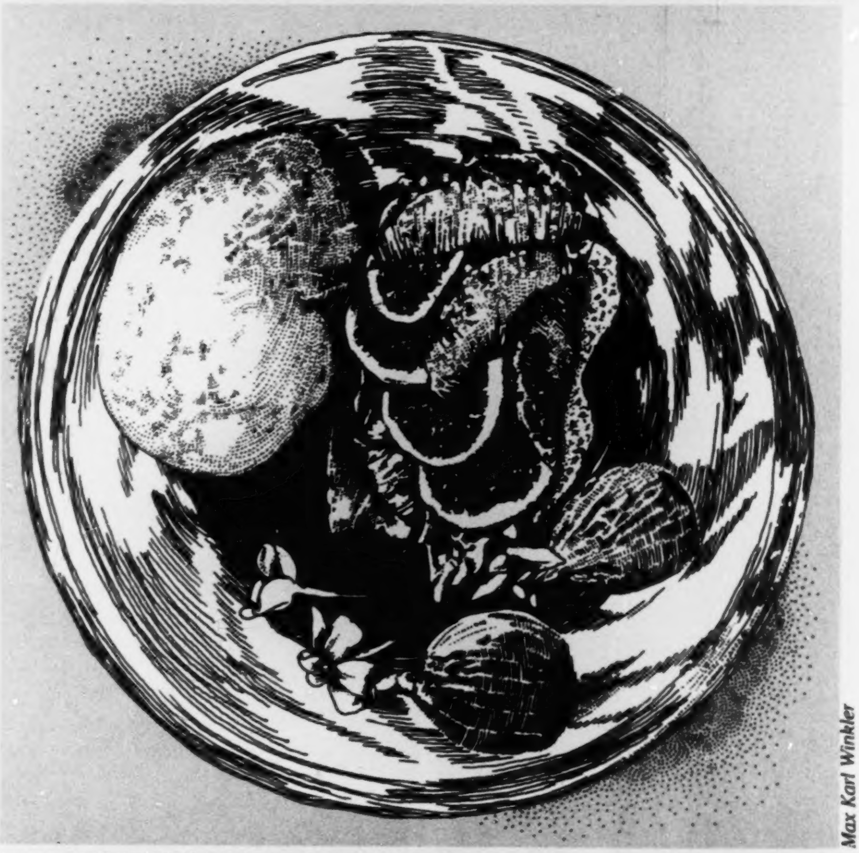
Cut back tax, add 5 percent contribution from bill to homeless

Leftovers to city shelters

Designated-driver programs for drunken patrons (Los Angeles)

Option on bill to give 10 percent to Meals-on-Wheels ☐

THE NEW SANDWICHES



Max Karl Winkler

EXOTIC, ECLECTIC AND EVER SO EDIBLE

by Claire Regan, R.D.

The recipe for a sandwich could not be less complicated—two slices of bread and a filling of choice. But, of course, the choices are endless, and therein lies the greatest challenge for the creative sandwich maker (the choice of bread is no small matter, either). Still, how to make a memorable sandwich is a challenge worth taking, since sandwiches are growing in popularity and continue to be the preferred lunchtime meal for most Americans.

But sandwiches are no longer confined to luncheon meals; they are now appropriate 24 hours a day. The quickservice segment popularized the breakfast sandwich, and the trend toward casual dining and dual-purpose menus (used for both lunch and dinner) has made sandwiches a common item at dinner meals—from lobster clubs on brioche to grilled eggplant or barbecue brisket.

The National Restaurant Association's menu analysis found the number of sandwiches on menus grew 55 percent between 1984 and 1989. Although hamburgers and cheeseburgers were the most prevalent sandwiches, the number of chicken sandwiches experienced the greatest growth of 185 percent over the five years (see chart).

Versatile, practical and omnipresent

Sandwiches certainly are not a new menu item. Their versatility may explain their everlasting popularity. Although named after the card-playing Earl of Sandwich, who needed a food item he could eat with one hand, sandwiches undoubtedly predated him. Sandwiches are as basic to a culinary repertoire as a black dress or navy blazer is to a wardrobe.

Like fashion, sandwiches reflect the tastes of the day. A 1939 publication, *Sandwich Manual for Professionals* by Louis P. DeGouy, recommends combining Swiss cheese, corned beef and bologna for "a real he-man sandwich which should bring a good price," and presents more than 10 sandwich recipes with tongue as an ingredient. Although common on menus of the 1940s and 1950s, these probably would not be stars on today's menus.

A more sophisticated turn

Today's presentations are more in line with those suggested by Janet Hazen in her 1989 book, *The Sophisticated Sandwich* (Aris Books), where combinations like smoked turkey with cumin slaw and melted gouda cheese on orange-carrot rye are more in keeping with today's tastes. "I recommend the umbrella concept when creating sandwiches," says Hazen, a chef-turned-food-writer. "Each ingredient has to work on its own. It has to be properly cut, properly cooked and delicious by itself as well as in combination with other ingredients," she says. Hazen also strives to make the sandwich ingredients work together as a whole, to make a statement. For example, foods indigenous

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to a certain region or country usually are naturally complementary and make sense together. Finally, Hazen looks to achieve visual and textural contrast in her sandwiches. "My two-pepper chicken salad is a good example of the umbrella concept. The soft chicken is contrasted with crunchy, colorful peppers. Cilantro gives it a lively, Latin edge, which is complemented by toasted pumpkin seeds, spicy chipotle mayonnaise and corn bread," Hazen says.

Sandwiches on menus*

Chicken sandwiches grew by 185 percent

	1984		1989		Percent change in number 1984-1989
	Number	**Percent of total**	**Number**	**Percent of total**	
Total sandwiches	*330*	*100%*	*513*	*100%*	+55%
Hamburgers & cheeseburgers	112	34	141	27	+26
Other beef	56	17	114	22	+104
Seafood	40	12	57	11	+43
Pork/ham	40	12	54	11	+35
Chicken	13	4	37	7	+185
Club	10	3	25	5	+150
Hot dog, sausage, salami	14	4	22	4	+57
Mixed meats & cheese	8	2	21	4	+163
Turkey	15	5	21	4	+40
Cheese	10	3	13	3	+30
Vegetable	2	<1	3	<1	+50
Lamb/veal		0	3	<1	
Egg	10	3	2	<1	−80

Source: National Restaurant Association, 1989

**This information is taken from the association's analysis of menus submitted to the Great Menu Contest. Analysis was done of randomly selected menus, 50 from 1984 entries and 50 from 1989*

BAKED ITALIAN MELT WITH PESTO

Serves 6

Ingredients:
6 soft Italian rolls, halved
1 bunch arugula, washed and stemmed
3 large roasted red peppers, peeled, seeded and sliced
1½ lbs. hot coppa, sliced thin (see *Cook's note* at end)
2–3 jars marinated artichoke hearts, drained and halved
1 lb. mozzarella cheese, sliced

PESTO
2 bunches basil, washed and stemmed
2 cloves garlic
½ cup grated Parmesan cheese
¼ cup pine nuts
⅔ cup olive oil
Salt and pepper, to taste

Method:
Preheat oven to 400° F. Place pesto ingredients in blender and blend for 2 minutes to smooth paste, scraping sides of blender from time to time. Add a little water if necessary to thin pesto. Taste and adjust seasoning.

Spread each piece of roll with pesto and place some arugula on all pieces. Layer red peppers, coppa and artichokes on six pieces. Press firmly to secure ingredients. Top with cheese.

Place rolls in oven and bake until cheese has melted and ingredients are warm. Top with a second piece of roll and serve immediately.

Cook's note: Hot coppa is cured or cooked pork shoulder rolled in black pepper, dried and then cured. The result is slightly salty, spicy, flavorful meat. If you prefer a more subtle taste, use mild coppa, which is not rolled in black pepper. These meats are available at Italian delis or gourmet food markets.

—Janet Hazen, *The Sophisticated Sandwich*

To get started

To get started generating new ideas for sandwiches, try thinking as Hazen does. She considers all variations of different foods, out of the sandwich context. Then she thinks about combinations of foods that seem natural together, like ham and pumpkin or lamb and tahini. She also looks for foods other than sliced bread as a holder for the sandwich ingredients. For example, she uses a potato galette as the base for an open-face sandwich of Swiss raclette cheese, caramelized onions and cornichons, and risotto squares for a combination of grilled tuna and spinach. She also divides sandwiches into five categories: room-temperature sandwiches, warm and melted sandwiches, baked sandwiches, grilled sandwiches and open-face sandwiches.

If new sandwich ideas do not come easily, you can learn from Carbur's Restaurant, a 180-seat establishment in Plattsburgh, New York, that features 50 sandwiches on its menu. To solicit new ideas, Carbur's held a contest. Two entries—one from an employee and one from a patron—were chosen for the menu from more than 100 submissions.

McNamara's Band-wich combines roast beef, Swiss cheese, bacon, lettuce and barbecue sauce; and Kathy's Vegetarian Delight consists of avocado spread, sprouts, Swiss and cheddar cheeses, lettuce and tomato.

Another tip you can borrow from Carbur's is to think of catchy names and snappy descriptions for your creations. One of Carbur's top sellers is the "Mae West." Manager Patti Jo Collins-Fredette attributes its popularity to the way it's described: "supple turkey bosom smothered in mushrooms and Swiss cheese with tarragon mayo." Carbur's grilled knockwurst with sauerkraut and broiled Swiss cheese is known as "For Better or Wurst" and the French dip is featured as "Jacques Le Dipper."

Welcome to the new age of sandwich production! ☐

Thailand, with its uncrowded beaches, colorful street vendors, royal palaces, Buddhist temples and brilliant flowers, is becoming a popular travel destination. But food writers, cookbook authors, chefs and restaurant owners are going to Thailand for another reason: to see for themselves what techniques and ingredients are responsible for the cuisine's harmonious blending of the spicy, sweet, sour, salty and aromatic. And they're bringing back what they're learning and laying it before the American consumer. Some are duplicating the Thai dishes in their kitchens and cookbooks, and some are applying the new principles to their own styles, adding Thai flavors to dishes that are basically French or American.

At their Los Angeles City Restaurant, Mary Sue Milliken and her partner Susan Feniger specialize in dishes inspired by the Far East. Feniger traveled to India and Milliken worked in a hotel kitchen in Bangkok for a month. They believe learning about a country's culture and working with the people teaches nuances about the food that you can't get from reading a book. "If you're going to feature a food, you need that understanding," says Feniger.

The philosophy behind Thai cooking is one of balance. For example, the spiciness of chilies is tempered by the sweetness of coconut milk. Or pieces of fresh fruit and raw vegetables are placed beside a hot dish to cool the palate. Yet, unlike Chinese dishes, Thai flavors remain distinct and pure.

"All passionate and intense," is how Indian-born cookbook author Madhur Jaffrey describes Thai cooking. "No country has that intensity and contrast of flavor—put together in a most amazing way."

The lessons of Thailand

Having an open mind to try new ingredients is what French-born Yannick Cam, chef and co-owner of Le Pavillon in Washington DC, learned from his trip to Thailand. Although Thai dishes aren't appropriate at his upscale French restaurant, he has been able to incorporate a Thai influence. For example, Cam serves a Thai-style curry paste with beignets of soft-shell crabs. But the curry is a milder variety, without the traditional shrimp paste.

The Thai combinations of hot and acid have won over cookbook author Barbara Kafka, who hopes to visit Thailand soon. Because of its wide use of chilies, Kafka compares Thai cuisine to the foods of Mexico and the southwestern United States. She doesn't try to duplicate authentic Thai dishes, but uses Thai flavors in many of her recipes. For example, in a hot and spicy soup she substitutes Worcestershire sauce for the Thai sauce *nam pla*. Both are fish-based sauces, she points out.

Jaffrey is an example of someone who both prepares authentic Thai dishes and also likes to combine Thai techniques and flavors with other

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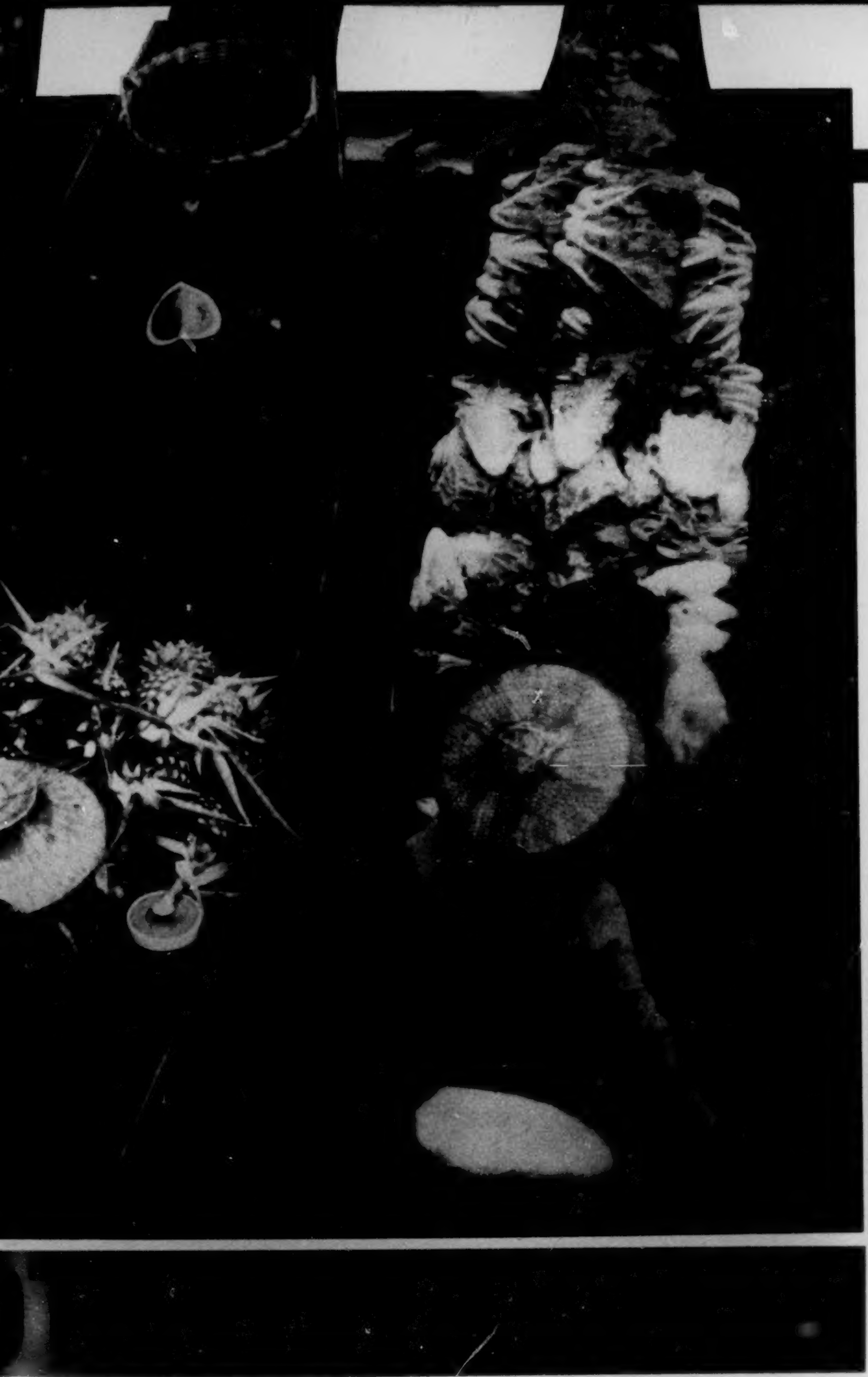


Herbs, fruits and vegetables are sold by vendors on the city streets and from boats at the floating market.

©Dallas & John Heston/Uniphoto

styles. In her cookbook, *Far Eastern Cookery,* she duplicates Thai recipes. But in *Easy East/West Menus for Family and Friends,* she has a recipe for a tuna salad that uses typical Thai seasonings as well as shallots, mint and lime. Another recipe piles lettuce and mint next to a tart and spicy chicken salad—for contrast and balance.

An abundance of tastes

To Americans just learning about Thai food, "hot" usually comes to mind when Thai cuisine is mentioned. But Thai food prepared correctly should present the hotness as only one part of the dish—offset or balanced by other flavors. An example of how this works is the melon sold by the street vendors of Bangkok. The melon chunks are topped with dried shrimp and hot chilies; the resulting taste sensation is a balance of salty, sweet, hot and cool.

The chilies, which are a predominant ingredient in Thai food, are used mainly in the curries. Thai curries are different from Indian curries in that they are a blend of chilies with fresh aromatic leaves, roots and herbs, all pounded together into a paste, whereas Indian curries depend upon dry ingredients. The curries come in established colors, with the colors giving the clue as to the main ingredients and the degree of hotness. A yellow curry is fairly mild, and usually preferred by most Americans. A deceptively cool green color signals that the sauce is very hot.

Millikin uses the red curry paste, her favorite, in two dishes in her restaurant—one a duck dish and the other a steamed mussel entree, which she tries to make as authentic as possible.

Rice is a staple of the Thai diet, serving as a background and a counterbalance to the spicy food. Noodles are also plentiful. *Mee Grob,* a dish so popular it could be called the national dish, uses *sen mee,* which are noodles made from rice, as one of its principal ingredients. The *sen mee,* which puff up when they are plunged into hot oil, are mixed with shrimp, pork and chicken, rice vinegar, palm sugar, eggs and *nam pla.*

The Thais use coconut milk to counteract the fiery chilies and to add body to dishes. One of Milliken's fondest memories of her Bangkok apprenticeship is of the huge machine used for producing coconut milk. She likened it to a giant garlic press, so big it took three people sitting on the lever to pull it to extract the juice from the coconut. American cooks don't need to purchase such a machine; coconut milk is sold in cans in many supermarkets or it can be made in the kitchen—by pouring warm water over grated coconut and then squeezing the mixture through cheesecloth.

Exotic produce

Much of what grows in Thailand's tropical climate is unfamiliar to Americans. On Jaffrey's first trip to Thailand in the late '60s, she left her sick husband in the hotel and went shopping. She couldn't speak Thai, so she bought fruits and vegetables made out of clay at a nearby shop, then took her clay produce to the food market. Jaffrey made it known she wanted the real-life equivalents of the clay items. Then she took her purchases back to the hotel and had a picnic with her husband. She found the produce so fresh and aromatic that she's been going back for more ever since.

Pineapple is at its sweetest in Thailand. Bananas come in at least 10 varieties, some cooked to add to main dishes and some used for desserts. Melons, papayas and mangoes are plentiful. One fruit, the *durian*, always makes an impression on foreigners experiencing it for the first time. It has a foul smell—but a sweet taste. "Like eating cheese and fruit together," is how Jaffrey describes it.

Lemon grass, many different varieties of mint and basil, cilantro (its seeds and roots as well as the leaves), tamarind and the leaves of the kaffir lime are the principal herbs.

Thais believe food should be pretty to look at, feeding the mind as well as the body. Even the street vendors will take time to arrange and decorate their foods in an artful manner.

Asian markets are the best source in the United States for Thai ingredients. If fresh is unavailable, the seasoning in powder or dried-leaf form can be substituted. But for some cooks only fresh will do. Joe Schultz, owner/chef of India Joze in Santa Cruz, California, will use a fresh American substitute if he can't find the fresh Thai ingredient, even if the resulting taste isn't exactly the same.

Learning in Thailand

When Jaffrey is in Thailand, she puts herself in the hands of friends, trusting them to show her the best Thai dishes, either by serving them in their homes, or taking her to restaurants that serve them.

When traveling to Thailand, it is best to have contacts, but for those who don't know anyone in Thailand, there are other ways to learn about the cuisine. Going from restaurant to restaurant is one obvious way. Schultz urges fellow food lovers not to be shy about visiting Thai restaurant kitchens. "The Thais don't have a problem with people walking into their kitchens," he says.

Highly recommended by recent visitors is the cooking school at Bangkok's Oriental Hotel. The school is open to anyone, not just guests of the hotel. The week-long course is taught by a native Thai, Chalie Amatyakul, who is fluent in English, French and German.

Thai-style back home

Once back in the United States, it may not be possible to find all the authentic Thai ingredients—*nam pla* for the salty; the herbs for the aromatic; palm sugar and coconut milk for sweet; Thai curries for spicy; lemon grass, limes and tamarind for sour. But some of the seasonings are staples of American cupboards, too—garlic, onion, sweet basil, coriander, ginger, mint, chili peppers. And with some inventiveness and experimentation and lots of tasting, the American chef can use what's available to arrive at the harmony that is the essence of Thai food. ❑

Serves 8–10

Ingredients:

1 lb. *sen mee* (thin rice noodles)
1 cup cooking oil
1½ cups minced mixture of pork, shrimp and chicken
1 cup yellow bean curd, cubed and crisp fried
½ cup white *tao jiaw* (pickled soy beans)
½ cup each of chopped shallots and garlic, crisp fried
5 eggs
¼ cup each vinegar and *nam pla* (Thai fish sauce)
1 tspn. salt
5 Tbs. sugar
1 tspn. roasted chili powder

Method:

Sprinkle noodles with cold water and leave to soften for a few minutes. If they are not uniformly soft or are too dry, sprinkle more water on them. Keep them moist until frying time.

Deep-fry in hot oil over very high heat until golden. Remove from oil and keep warm, wrapped in a paper towel so that they remain crisp until needed.

Heat one cup of cooking oil and fry minced mixture of pork, chicken and shrimp. Add fried shallots and garlic. Stir until well mixed and cooked; add bean curd, tao jiaw, salt and stir.

Add eggs, one at a time; stir and turn the contents continuously until all eggs are used. Add more oil if necessary. Sprinkle vinegar, nam pla and sugar. Keep stirring until the mixture is well turned and all the liquid has evaporated. It should taste sweet and salty. Roasted chili powder can be added to taste. Mix the crisp fried noodles and heat gently over medium heat.

Garnish with sliced pickled garlic, chilies and coriander. Serve with bean sprouts.

—The Oriental Hotel

Serves 4

Ingredients:

2 Tbs. long-grain rice
2 6½-oz. cans white tuna (packed in water)
5 shallots, peeled and sliced thin
1½ tspns. sugar
1 tspn. soy sauce
2 cloves garlic, lightly crushed and chopped fine
4 Tbs. fresh lime juice
¼ tspn. cayenne pepper
Freshly ground black pepper
⅓ well-packed cup of chopped fresh mint plus extra sprigs for garnishing
½ tspn. unsalted butter for each slice of bread (optional)
4–8 slices of bread

Method:

Heat a small cast-iron frying pan over a medium flame. When pan is hot, put in the rice. Stir and roast the rice until it turns light brown in color. (A few grains may be darker, a few lighter; some may even pop.) Allow rice to cool slightly and then grind it in a clean coffee grinder.

Empty tuna and all the liquid in cans into bowl. Flake the fish. Add shallots, sugar, soy sauce, garlic, lime juice, cayenne, black pepper, ground rice and chopped mint. Mix and taste for seasoning.

Just before serving, butter one side of each slice of bread with ½ teaspoon butter, and toast to golden in a toaster oven or a preheated broiler, toasting one side first, then the other. Put some salad on each toast, garnish with a sprig of mint and serve.

—*Easy East/West Menus for Family and Friends*, Madhur Jaffrey

#103

A political interview

Recently I was preparing for a meeting with one of my senators. I laid my head back against the chair, my eyelids got a little heavy . . . and all of a sudden, I found myself in the senator's office commencing this dialogue.

Me: Senator, what is the most pressing issue you are addressing now?

Senator: Deficit reduction, my boy, deficit reduction. Without a doubt, deficit reduction is priority one, two and three for me.

Me: Well, with a national debt rapidly approaching three trillion dollars, that certainly is a worthy issue.

Senator: Now hold on here a minute, hold on. Who said anything about the national debt? I'm talking about my campaign debt. I've got fundraisers all over the country working to reduce that deficit of mine. Matter of fact, there's an event tonight. Want to buy a ticket?

Me: Before I decide, let's talk about some other major issues.

Senator: Absolutely. Go right ahead.

Me: Senator, what was your position on the minimum wage?

Senator: Minimum wage. Minimum wage. Oh yes! I was against it, absolutely against it. Always have been.

Me: But senator, the records show you consistently voted for it.

Senator: That's just strategy, just strategy. By voting for the minimum wage, I was really opposing it. You see, what I favor is a *maximum* wage, not a minimum wage. And so by voting for a minimum wage, which I'm against, I was really voting for a maximum wage, which I'm all for; and as the minimum goes up, the closer we get to the maximum. That's part of my brilliant strategy. Young man, you look perplexed!

Me: Let's move on. Senator, what is your position on parental leave?

Senator: I'm all for it, my boy. I've been trying to get my wife's mother to leave our home for the last 14 years. I will certainly support legislation that gets that done.

Me: Senator, what is your position on mandatory health?

Senator: There's no question, young man, we've got to mandate health for everyone. Everybody has got to have some sort of health. We can't have no-health people walking around. It's unhealthy.

Me: Senator, what is your position on taxes?

Senator: I'm against taxes, always have been. I don't pay taxes myself, so you can see that I have the courage of my convictions. My strategy here—and it's a brilliant strategy I might add—is for business not to pay any taxes at all. Now it's true that in order to achieve that we'll have to vote for some things that will eliminate profits. But think of it. No profits, no taxes.

Me: There's something that doesn't make sense there, but let's continue. Senator, what is your position on immigration?

Senator: I'm all for it, young man, always have been—provided it's done right. My strategy here is to open our borders to everyone who wants to come in, but I think we have to charge an entrance fee or an admission fee. After all, when you and I go to a ballpark or a movie, we pay an admission fee; so when people want to come here, why shouldn't they do the same thing? I figure $10,000 per person is a nice round number.

Me: Well that's certainly a different perspective. Moving on, senator, what do you think about the solid-waste issue?

Senator: I have my staff digging into that.

Me: Where did you stand on the congressional pay raise?

Senator: I was up front on that one, my boy.

Me: How about the Targeted Jobs Tax Credit?

Senator: I think the bigger the job, the bigger the credit, any kind of credit. Being a senator is a big job. That's why I take a lot of credit.

Me: What about the business-meal deduction?

Senator: Don't you worry, young man, I'm all right on that one!

Me: Senator, where do you stand on inflation?

Senator: I think we have to sit on it for a while.

Me: Are you working on bills right now?

Senator: I'm always working on bills. Right now, I'm working on the bills for my new wife's fur coat—er . . . rather my wife's new fur coat and my son's BMW.

Me: What about the trade deficit?

Senator: One of two things will happen. It will go up, or it will go down.

Me: Is there anything else you want to say, senator?

Senator: Are you going to buy a ticket to my fundraiser tonight?

All of a sudden the phone rang, and I realized I had been in a semi-sleep. So none of this really happened. On the other hand, I have met with legislators who . . . well, never mind.

Fisher's Law #103: When talking with legislators, be more informed on the issues important to you than they are.

When you give blood
you give another birthday,
another anniversary,
another talk with a friend,
another laugh,
another hug,
another chance.

American Red Cross
Please give blood

BOARDROOM

Association president Harris H. "Bud" Rusitzky (center), flanked by National Association of Food Equipment Manufacturers (NAFEM) President Ira Kaplan (left) and NAFEM Vice President Chuck Brown (right), received the Doctorate of Foodservice Award at the recent NAFEM/89 All-Industry Banquet in Dallas.

Director Herman Cain addresses CIA graduates

"Life is just a minute and your graduation is the completion of just one second of that minute. I cannot tell you what to do with the remaining 59 seconds, but use them to make a difference in the lives of others as well as your own."

Those were the words of National Restaurant Association Director Herman Cain, president and chief executive officer of Godfather's Pizza, Inc., during his recent address to the graduating class at the Culinary Institute of America in Hyde Park, New York.

While emphasizing the importance of making a difference, Cain also urged the graduates to enjoy their profession. "We were put on this planet to make a difference; but when we strive to make a difference in our journey of success, we must also be happy."

Vice president Hurst speaks to students at "Kid's Diner"

Association vice president Mike Hurst also spoke to young people recently. He addressed the students of Baltimore's Kid's Diner, a work/study program designed for high school students who are receiving a vocational education in the foodservice, horticulture, business and construction trades.

Hurst discussed career opportunities with the Kid's Diner students. He applauded their work at the full-service diner, which is operated by students and offers them on-the-job training in all types of foodservice jobs.

Dr. Earl Jones, director of vocational opportunities and curriculum at the Office of Vocational Programs in Baltimore, says the students learned a lot from Hurst's shared experiences. "Students had a real opportunity to hear, firsthand, about the world of work as it relates to restaurants. They have a better sense of what is expected of them and how they can apply their work experience upon graduating," Jones reports.

—Anne Papa

FOODSERVICE TRENDS

1990 wholesale food price outlook

For the 66th year, the U.S. Department of Agriculture (USDA) has presented its annual outlook for food prices. Here is a look at what is ahead in 1990, based on the November 1989 USDA conference.

After a year of paying for residual effects of the 1988 drought, the 1990 outlook for wholesale food prices calls for a break. USDA predicts that when all the figures are in, retail food prices will have shot up 6 percent in 1989, largely due to price increases in cereals, bakery products, fats, oils and processed vegetables during the first half of the year. For 1990, USDA expects that food prices will rise a more modest 3 to 5 percent, because prospects look good for record meat supplies and larger crops.

Beef production in 1990 should be up a modest 1 percent above 1989 levels—largely because of increases in slaughter weights. However, population growth and an expected increase in exports to Japan and Korea could translate into little, if any, increase in domestic supply. Inventories remained below 100 million head in 1989, with little change expected in 1990. Imports are expected to remain stable or decline from 1989 levels. Per capita beef consumption is expected to be 68 pounds per person in 1990, down from nearly 80 pounds in 1986.

The relatively stable supply of beef and lower consumption, combined with pressure from ample supplies of competing meats, means that the price of beef will not go up dramatically in 1990. Grain-fed steer prices at Omaha should average between $71 and $77 per cwt.—up from $72.50 per cwt. in 1989 and $69.50 per cwt. in 1988. After rising 5 percent in 1988 and 1989, retail beef prices are expected to go up a lesser 1 to 2 percent in 1990.

Commercial pork production is expected to be slightly higher in 1990 than in 1989, as substantial increases in fall production are likely to offset year-over-year production declines in the spring and summer. Total production could increase 1 percent to reach 16 billion pounds for the first time since 1980. Strong demand in the second half of 1989 should carry over into the first part of 1990. Although prices may be higher through the first half of 1990, expanding supplies and pressure from competing meats should push pork prices down below 1989 levels by mid-fall.

First-quarter pork supplies should be slightly higher than in the first quarter of 1989, as the large 1989 summer pig crop goes to slaughter. Second and third-quarter supplies could fall below 1989 quarter levels, because of unusually high 1989 slaughters. If returns to producers continue to remain at an elevated level, pork production could be up by as much as 5 percent this fall.

[redacted]

Most prices will decline in 1990

Commodity	**1989 (preliminary)**	**1990 (projected)**
Beef ($/cwt.)[1]	$72.50	$71 to $77
Pork ($/cwt.)[2]	$44	$45
Broilers (cents/lb.)[3]	59 to 60 cents	49 to 55 cents
Turkeys (cents/lb.)[4]	64 to 65 cents	57 to 63 cents
Eggs (cents/dozen)[5]	79 to 81 cents	66 to 72 cents
Milk ($/cwt.)[6]	$13.30 to $13.40	$12.14 to $12.34

[1] *choice steers-Omaha*

[2] *barrows and gilts, a seven-market average*

[3] *12-city average*

[4] *Eastern region, 8 to 16-pound hens*

[5] *cartoned, grade A, large white eggs in New York City*

[6] *U.S. annual average farm milk price*

Source: U.S. Department of Agriculture

Accordingly, average wholesale pork prices (based on a seven-market average) are expected to be in the mid-$40 per cwt. in the first and second quarters of 1990. Supply shortfalls could push prices up to the mid-to-high $40s range in the third quarter. Larger supplies, competition from beef prices and packer competition could cause pork prices to drop to the low $40 per cwt. in the fall.

For 1990, barrow and gilt prices should average $45 per cwt., slightly higher than the $44 per cwt. in 1989. Retail prices for pork should average between $1.85 and $1.87 per pound—a 2 percent increase over 1989. The increase in price for pork relative to other meats could dampen its demand.

[redacted] Because of high consumer demand, poultry production exploded during the 1980s, and growth should continue into this year. Broiler production is expected to increase about 7 percent in 1990, following a similar advance in production in 1989. Compared to 1989 levels, 1990 production should be up more than 8 percent in the first quarter and more than 7 percent in the second quarter, before soft prices curtail production advances to slightly below 7 percent in both the third and fourth quarters.

Consumer demand for chicken is likely to remain strong. Per-capita consumption of broilers, which was estimated at 65 pounds per person in 1989, is expected to increase by another 5 pounds in 1990. This strong demand should cushion price declines somewhat. First-quarter prices for broilers (based on a 12-city average) should range between 48 and 54 cents per pound, before seasonal increases push prices upward in the second and third quarters. Prices should drop again in the fourth quarter. For the year, broiler prices should average 49 to 55 cents per pound in 1990—down from 59 to 60 cents per pound in 1989. Retail prices should decline in 1990 to average in the low-to-mid 80-cents-per-pound range for whole fresh fryers.

Turkey production should increase between 4 and 5 percent in 1990, after an expected 6 percent increase in 1989. Per-capita consumption, which increased from 10.5 pounds per person in 1980 to an estimated 16.7 pounds in 1989, could exceed 17 pounds per person in 1990. These increases are largely a result of increased availability of cut-up and processed forms of turkey. Production should be up 12 percent in the first quarter of 1990, compared with the first quarter of 1989. It should then increase 8 percent in the second quarter before leveling off to 1989 levels in the third and fourth quarters.

Regional wholesale hen prices in the East should average 55 to 61 cents per pound during the first quarter—down from 62 cents per pound in 1989. They should remain low during the second quarter before advancing in the third and fourth quarters, as a result of decreased production. For the year, wholesale turkey prices should average 57 to 63 cents per pound, down from 64 to 65 cents per pound in 1989.

[redacted] After declining 3 percent in 1989, egg production should increase 2 percent in 1990 to reach 5.7 billion dozen. Declines in consumer use—from 271 eggs per person in 1980 to 235 eggs per person in 1989 and 1990—are attributed to consumer concerns over cholesterol and salmonella as well as changing eating habits. Table-egg production declined nearly 4 percent in 1989, because of heavy producer losses in 1987 and 1988; but it should advance 2 percent in 1990 as producers make up for losses.

Subsequently, wholesale egg prices are expected to decline in 1990 as supplies increase. Wholesale egg prices should average 66 to 72 cents per dozen in 1990, compared with 79 to 81 cents per dozen in 1989. First-quarter prices in 1990 should average around 76 to 80 cents per dozen, but additional supplies should push prices to the mid-to-low 60-cents-per-dozen level in the second half of the year.

[redacted] Last year was an unusual year for milk production, and it leads to uncertainty about 1990 milk production. Although production was high in early 1989 (2 percent above 1988 levels), feed problems (exhausted supplies of good quality forage and a delay in hay arrival) caused declines in milk output per cow. Combined with continued slaughter of milk cows, milk output from July to October was down between 1 and 2 percent from 1988 levels. Consequently, milk prices for 1989 are expected to be more than $1 per cwt. higher than in 1988.

For 1990, forage quality and the damage to milk-per-cow output from 1989 leads to some uncertainty of supply availability early in the year. However, if feed prices continue to drop, milk production should be up for most of 1990, growing 1 to 3 percent. Increased production should bring about a decline in wholesale prices to near their 1988 level of $12.24 per cwt.

[redacted]

Production of noncitrus fruits is expected to be only 3 percent higher in 1989/90 than in 1988/89, because of various weather problems. Supplies of grapes, nectarines, peaches, pears and strawberries were tighter in 1989 than in the previous year, while apple, apricot, cherry, plum and prune crops were larger in 1989 than in 1988. Prices tended to be higher in 1989 than in 1988.

Overall, citrus production should be down 10 percent in 1989/90. A freeze last February helped cause a 14 percent decline in Florida citrus production. Production in Texas and Arizona is also expected to be below last year's level, while California should show some production advances. The prices for oranges and fresh lemons are expected to be higher this year because of tighter supplies; and although supply should be sufficient, grapefruit prices will also be higher.

Preliminary estimates for the 10 major fresh vegetables (asparagus, broccoli, carrots, cauliflower, celery, sweet corn, lettuce, onions, tomatoes and honeydews*) place production for 1989 at 253 million cwt.—up 1 percent from 1988. Further projections by the USDA's Economic Research Service (ERS) call for production increases of 2 percent per year through 1995. Wholesale prices for fresh vegetables are expected to advance 6 percent in 1989 and a lesser 3 percent in 1990.

The prices for fresh vegetables could be affected by legislation regarding food safety and the use of pesticides, labor, chemical availability and water quality. Each issue could have a negative effect on supply levels, which would increase the cost to consumers.

—Nancy Michalski

**This is not an error. USDA considers honeydews to be part of this category.*

The relationship between weather and food prices

Will a sudden change in temperature affect the price of produce? Will rain raise the cost of lettuce? If there is a drought in Iowa, will wheat prices be higher in the coming months? Where the weather is concerned, all commodities are not created equal.

The widespread drought of 1988 brought renewed attention to the relationship between weather and food prices, and the delicate balance between the two. Since, to a large extent, prices are determined by whether supply is sufficient to meet demand, it is important to understand how weather influences the food supply.

Grains and oilseeds

Drought has its most significant effects on grain products and oilseeds, decreasing yields—with results varying by the time at which the dry spell occurs. Long periods of dryness and heat while the grains are maturing cause more rapid growth but insufficient maturation. These conditions result in low-density, small grains that produce low yields. The shortfall in supplies often leads to price increases.

If the dry spell occurs soon after planting, fewer shoots may grow, also decreasing yield. Corn tends to be very susceptible to dryness during flowering—the time at which the ears start to appear. Since corn flowers only during one specific two-week period, extended heat or dryness during that time can retard growth.

While dryness can pose a problem, moisture in abundance or at the wrong time can also be trouble for grain products. Moisture is desirable when grains and oilseeds are maturing. However, excess moisture during planting or harvesting times can prevent farmers from using their farm equipment, and rusts and smuts can form on wheat if it is not harvested promptly. In addition, too much moisture around harvest time can lead to increased chance of spoilage if grain cannot be sufficiently dried.

Another climatic problem for grains involves depressed temperatures. Extremely cold temperatures can kill winter wheat.

Because these problems affect yields and overall supply, they can result in higher prices for flour, bakery products, cereals and vegetable oils.

Meat and poultry

The prices for meat and poultry are related in part to grain yields. Lower yields of corn and other feeds can raise the costs of these feeds, which can in turn cause the prices of beef, pork and, to a lesser extent, poultry, to rise. Cattle and hogs, which require more feed to develop a pound of meat, tend to show the effect of higher feed costs more so than does poultry. Less feed means lower slaughter weights in cattle, hogs and poultry, which may also lead to lower supplies and thus higher costs.

Severe weather in the winter can pose special problems for beef cattle. Any difficulties in receiving feed or in getting feed to the cattle may increase the number of cattle that die.

Poultry tends to be the most resilient of all farm livestock, showing the weakest relation between weather and production. First, the average broiler chicken, the type most typically used in foodservice, takes roughly 45 days to mature. Thus any serious problem could temporarily raise chicken prices but not for a long period—because turnaround and restocking is rapid. In contrast, if

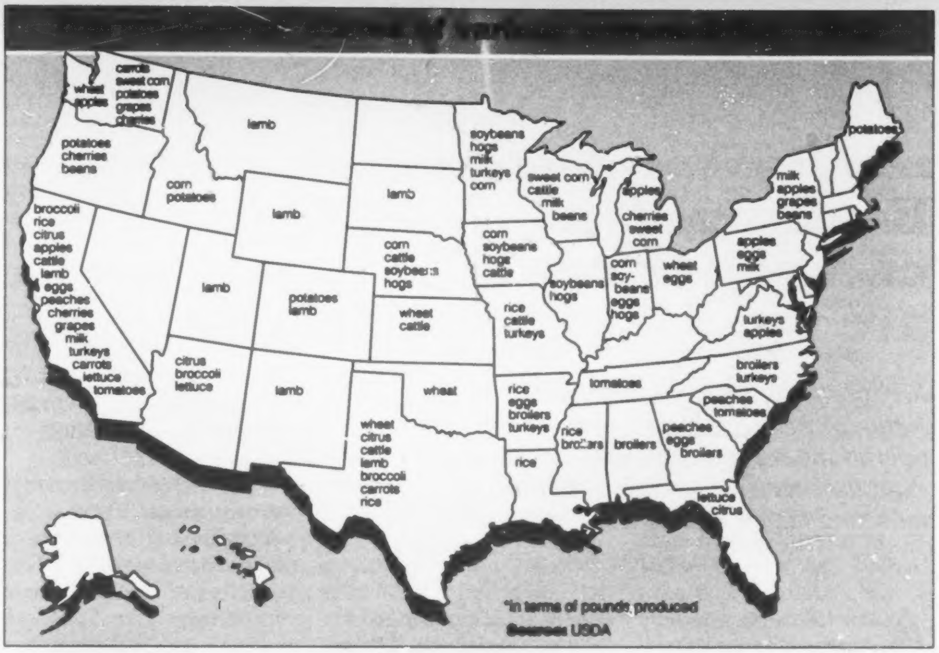
Herbs grow in popularity

According to the recently released 1987 Census of Agriculture, herb farming is becoming more popular. Between 1982 and 1987, acreage devoted to herbs increased 122 percent and the quantity of herbs harvested mushroomed 248 percent.

The majority of herbs are grown in the western portion of the United States. California leads the nation in garlic and parsley acreage, Washington is the top dill producer, and Oregon is the leading grower of mint. Hawaii is the only state to grow ginger root, and Florida has more acreage devoted to growing watercress than any other state.

Source: *USDA, Agricultural Outlook,* October 1989

This diagram shows the principal producing states for a variety of commodities. By understanding how weather can affect production and where major supplies come from, restaurateurs can see if their supplies may be affected.


wheat apples
carrots sweet corn potatoes grapes cherries
potatoes cherries beans
corn potatoes
lamb
lamb
lamb
soybeans hogs milk turkeys corn
sweet corn cattle milk beans
apples
cherries sweet corn
milk apples grapes beans
potatoes
broccoli rice citrus apples cattle lamb eggs peaches cherries grapes milk turkeys carrots lettuce tomatoes
lamb
potatoes lamb
corn cattle soybeans hogs
wheat cattle
corn soybeans hogs cattle
rice cattle turkeys
soybeans hogs
corn soybeans eggs hogs
wheat eggs
apples eggs milk
turkeys apples
citrus broccoli lettuce
lamb
wheat
wheat citrus cattle lamb broccoli carrots rice
rice eggs broilers turkeys
rice
tomatoes
broilers turkeys
peaches tomatoes
rice broilers
broilers
peaches eggs broilers
lettuce citrus

*In terms of pounds produced

Source: USDA

breeder stock is destroyed for hogs and cattle, the effect may be longer lasting, because it takes much longer for cows and pigs to reach maturity and recover the loss. Second, most henhouses are now climate controlled, so that severe heat and cold do not pose as much of a problem as in the past.

In fact, it is the balance between supply and demand that has the greatest effect on poultry prices. Most recently, high foodservice demand for chicken has kept broiler prices elevated (see "1990 wholesale food price outlook" elsewhere in this column).

Dairy and eggs

The production of milk and eggs can also be indirectly affected by drought, mostly because of lower feed supplies for dairy cows and layer hens. Reduced feed tends to reduce production of milk and eggs. Since both laying hens and dairy cows are kept under highly controlled environments, extremes in the weather tend to have a negligible affect on milk and egg production.

Fruits and vegetables

While drought has a severe affect on grains and many oilseeds, it typically does not have an affect on fruits and vegetables, because most commercial fruits and vegetables are grown on irrigated farms.

Too much rain, on the other hand, can be a definite nemesis for produce. Even one extra day of rain can decrease supplies of some vegetables, because they cannot be harvested promptly before molds and funguses develop. Ground fruits, especially strawberries, and vegetables also may succumb to rot, because of excess ground moisture.

Tree fruits, such as apples and pears, can also be damaged by too much rain. Excessive moisture can promote blights and the breeding of various bugs. Rain can inhibit pollenation and cause buds that could have developed into fruit to fall to the ground.

Freezing temperatures damage citrus crops by affecting fruit and blossoms on the trees. In addition, a cold snap—when temperatures drop to freezing after budding or growth has started—can kill fruit buds, damage fruit and harm exposed vegetable plants.

A word of caution

These scenarios are only meant to illustrate the general trends; each crop will show variation as a result of particular growing conditions. USDA and state-level agricultural specialists are the best sources for information on how a supply of a specific crop is being affected by the weather.

—*Nancy Michalski*

Exotic produce

Consumers have shown an increased interest in exotic varieties of produce. Increased consumer emphasis on "healthy" eating and demand for more options, combined with more travel abroad and introduction of exotic produce by recent immigrants, have all contributed to the higher demand for specialty produce. As a result, more domestic acreage has been devoted to producing nontraditional produce, and there has also been an increase in the importation of exotic produce, according to the U.S. Department of Agriculture (USDA).

Increased imports, domestic production

In Arizona, the harvested acreage of bok choy, a Chinese cabbage used in many Asian dishes—especially stir-fry—quadrupled between 1981 to 1986. Harvested acreage of Santa Claus, Casaba, Crenshaw and Persian melons climbed 80 percent between 1981 and 1986 in California. Harvested acreage of various chili peppers in Maryland more than tripled from 1984 to 1986.

Imports of jicama, a fleshy tuber that tastes similar to and can be substituted for water chestnuts, have almost quadrupled from 2,335 metric tons in 1980 to 8,886 metric tons in 1987. Imports of bamboo shoots have almost tripled from 10.7 thousand metric tons to 29.3 thousand metric tons between 1980 and 1987. Imports of dasheens, endive, snow peas, chili and other peppers, chayote and fiddlehead fern also rose between 1980 and 1987.

Growing familiarity

A 1987 nationwide study conducted for *The Packer* magazine showed that at least one-third of consumers surveyed had tried alfalfa and bean sprouts, snow peas, pearl onions, pomegranates, parsnips, persimmons, leeks, baby vegetables, kumquats, Chinese cabbage and shallots. Furthermore, at least one-third of the respondents had seen or heard of Belgian endive, bok choy, celeriac, daikon, kohlrabi, parsley root, sunchokes (Jerusalem artichokes), breadfruit, passion fruit, plantains, prickly or cactus pear, and red bananas.

Source: *USDA National Food Review,* October-December 1988

Restaurant occupation costs are up

According to a special analysis of the 1989 National Restaurant Association industry operations survey, occupation costs at full-menu establishments advanced 8 percent in 1988, reflecting higher rent and tax expenses.

After food and payroll expenses, occupation costs are restaurant operators' third-largest expense category. For 1988, according to the latest National Restaurant Association industry operations survey data, full-menu tableservice operators spent 7.9 percent of sales revenue on expenses relating to occupancy. Limited-menu, no-tableservice (fast food) survey participants reported allocating an even higher proportion of their sales to cover occupancy costs—8.8 percent.

Higher rent costs

Of particular note is that occupation costs at full-menu tableservice establishments (which reported operating data for two consecutive years) advanced by almost 8 percent between 1987 and 1988 and by 15 percent at fast food establishments. Higher rent expenses were a major factor behind these occupancy cost increases and reflect escalating rents, which have occurred in many areas of the country.

In 1988, full-menu tableservice survey respondents reported a median rent expense of $292 per seat, compared to a much higher $529 per seat for fast food operators.

Tax expenses up

In addition to higher rent expenses, restaurant operators also reported increased occupancy-related tax expenses. Fast food survey participants reported that between 1987 and 1988 property-tax expenses were up almost 5 percent, while full-menu tableservice operators' property-tax expenses advanced more than 3 percent. For 1988 full-menu tableservice and limited-menu, no-tableservice establishments had a median property-tax expense of $30 per seat and $58 per seat, respectively.

Other occupancy-related tax expenses, which include various state and municipal taxes, also escalated in 1988. Survey participants indicated that between 1987 and 1988 other taxes advanced almost 10 percent at full-menu tableservice establishments and 20 percent at limited-menu, no-tableservice operations. For 1988 the median value for other taxes per seat was $41 at full-menu tableservice operations and $43 for fast food operations.

After food and payroll expenses, occupation costs are restaurant operators' third-largest expense category.

Additional highlights

☐ The association's industry operations data also reveal that restaurant occupancy costs varied by the number of years the restaurant had been in business. Full-menu tableservice respondents whose restaurants had been in business for more than 10 years reported a lower median occupation cost per seat of $332, compared to $401 for restaurants that had been in

Fast food establishments had the highest occupation cost per seat

Occupation costs	Full-menu tableservice	Limited-menu tableservice	Limited-menu no tableservice
Rent	$292	$242	$529
Property taxes	30	27	52
Other taxes	41	22	43
Property insurance	72	67	92
Total occupation costs	$372	$331	$684

**median values*

Source: National Restaurant Association, *Restaurant Industry Operations Report—1989*

Occupations costs accounted for almost 8 percent of the full-menu tableservice sales dollar

	Full-menu tableservice	Limited-menu tableservice	Limited-menu no tableservice
Rent	4.7%	3.7%	6.8%
Property taxes	0.6	0.7	0.7
Other taxes	1.3	0.5	0.4
Property insurance	1.3	1.2	0.9
Total occupation costs	7.9%	6.1%	8.8%

**All figures are weighted averages*

Source: National Restaurant Association, *Restaurant Industry Operations Report—1989* business less than five years.

□ On a square-foot basis, full-menu tableservice operators in 1988 posted a median occupation cost of $13.11 per square foot. The median rent expense was $10.26 per square foot. Fast food survey respondents reported a higher median occupation cost of $24.14 per square foot, with a median rent cost of $20.38 per square foot.

□ Property insurance costs among full-menu tableservice survey respondents remained stable between 1987 and 1988.

□ Occupancy costs differed by region of the country. For full-menu tableservice establishments, operators in the West reported the highest median occupancy cost per seat—$478—while those in the North Central states had the lowest—$303.

—Hudson Riehle

How to order the report

A copy of *Restaurant Industry Operations Report—1989* (CS 959) is available to association members for $36 and to nonmembers for $72. This includes shipping and handling charges (overseas orders require a 20 percent surcharge). All orders must be prepaid.

You may order by sending a check or money order to the National Restaurant Association Publications Department, 1200 Seventeenth St. N.W., Washington DC 20036. For credit-card orders, call the association's information service and library between 9 a.m. and 5 p.m. (Eastern Standard Time) at 1-800-424-5156 or (202) 331-5960 in Washington DC.

C-store update

Sales at retail-host restaurants have captured a growing share of industry sales. The National Restaurant Association forecasts that in 1990, retail-host restaurant sales will represent 4.3 percent of total industry food and drink sales.

The National Restaurant Association forecasts that foodservice sales at retail-host restaurants[*] will reach $10.3 billion in 1990, a real gain of 4.8 percent over 1989. This robust advance can be attributed to sales growth at grocery-convenience stores, more convenience-food departments at gasoline service stations and more meals, snacks and takeout in grocery stores. In 1990 foodservice sales at retail-host restaurants are projected to represent a 4.3 percent share of the industry's foodservice sales—up from 3.5 percent five years ago. In 1980 retail-host restaurants represented just 2.7 percent of industry sales.

Within the retail-host category, there has been rapid foodservice sales growth in gasoline-service-station restaurants and grocery-store restaurants; the annual rate of growth has been in the double digits for many years. According to the National Restaurant Association, food and drink sales at gasoline service stations reached $1.7 billion in 1987—up from $1.5 billion the previous year. Grocery-store-restaurant food and drink sales reached $3.4 billion in 1987—up from $3.0 billion in 1986.

Despite strong annual sales increases, there has been a recent slowdown in the sales growth rate, as the sales base grows larger. For example, in 1983 gasoline-service-station food and drink sales totaled $860 million—an impressive 22 percent gain over 1982. By 1987 gasoline-service-station food and drink sales advanced at a lower 14 percent rate of growth. Still, this 14 percent increase represents a hefty $400 million. The same situation holds true for food and drink sales at grocery-store restaurants: The rate of sales growth dropped from 24 percent in 1983 to 14 percent in 1987.

Sales growth slowing

Additional information from the National Association of Convenience Stores (NACS) confirms that the sales growth is slowing down at convenience stores (C-stores). In 1988 sales for the total C-store[**] industry reached $61.2 billion (including gas sales)—a small 2.7 percent increase from 1987. Total merchandise sales, excluding gas, advanced to $39.2 billion in 1988, virtually equal to the $39.1 billion in 1987. According to NACS, C-store unit growth has recently lost momentum; the total number of C-stores increased by only 2.5 percent to 69,200 stores in 1988, compared to a 5.4 percent increase in 1987.

In addition, industry profits before taxes declined more than 11 percent in 1988—down to $1.2 billion from $1.3 billion in 1987. Furthermore, gasoline sales were responsible for most of the modest sales growth rate, increasing 7.3 percent in 1988 to $22.0 billion, compared to a 4.7 percent increase in U.S. gasoline-service station sales.

Fast food: more popular

Despite overall in-store sales slowdowns for C-stores, the total dollar amount spent on fast food[***] increased by nearly 16 percent in 1988, reaching its highest point of $5.9 billion. NACS reports that between 1983 and 1988 the total dollar amount spent on fast food more than doubled from the $2.3 billion spent in 1983. The percentage of total merchandise purchases that were fast food rose from 13 percent in 1987 to 15 percent in 1988. Fast food cooked on site exhibited the largest

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[*] *The National Restaurant Association defines retail-host restaurants as drug and proprietary-store restaurants, general-merchandise-store restaurants, variety-store restaurants, food-store restaurants, grocery-store restaurants, gasoline-service-station restaurants and miscellaneous retailers. Since the Census Bureau does not define "convenience store," association estimates are reflected in grocery-store restaurants and gasoline-service-station foodservice.*

[**] *The National Association of Convenience Stores defines a convenience store as a 1,500 to 5,000-square-foot establishment with a suitable parking area for customers and an extensive product mix.*

[***] *Includes both fresh and frozen sandwiches, deli services, food cooked on site, fountain drinks, frozen beverages, hot beverages and other fast food.*

Soft drinks and sandwiches top the list of convenience-store purchases

Food Item	**C-Store**	**Quickservice**
All beverages**	68%	58%
All soft drinks	46	36
Diet soft drinks	20	13
Total hot drinks	9	9
Coffee	8	8
Milk	5	2
Juice	3	2
All sandwiches**	35	38
Hot dogs	10	***
Hamburgers/cheeseburgers	10	23
Heros/subs	4	2
Ham and cheese	3	1
Turkey	3	***
Roast beef	2	2
French fries	8	25
Donuts	5	2
Salads (main and side)	3	11
Cakes/pastries/tortes	3	1
Ice Cream		
Hard-serve ice cream	3	2
Soft-serve ice cream	2	4
Frozen yogurt	1	1
Fried chicken	2	6
Pizza	2	17
Burritos	2	2
Danish/sweet rolls	2	1
Cookies	2	1

**an eater occasion is one meal/snack eaten by one person*

***Only selected segments presented; therefore individual items will not equal total*

****less than 1 percent*

Source: NPD CREST Annual Report, 1988

percentage increase in sales from 1987 to 1988—up a dramatic 88 percent.

Soft drinks: top item

According to CREST**** data, soft drinks continue to be the most frequently ordered food item. In 1988 these beverages were purchased on 46 percent of all C-store eater occasions.***** Sandwiches were also a popular item—35 percent of eater occasions involved a sandwich. Among the sandwiches, hot dogs and hamburgers were the most popular (10 percent each).

Other frequently ordered items included coffee (9 percent), french fries (8 percent), donuts (5 percent), heros/subs (4 percent), cakes/pastries/tortes and hard-serve ice cream (each 3 percent). Pizza was ordered on nearly 3 percent of eater occasions, and both burritos and fried chicken were ordered on 2 percent of occasions.

According to NACS, deli services, excluding sandwiches, represented the largest contribution (24 percent) to the total C-store/fast food industry sales, reaching almost $1.4 billion in 1988. Fountain drinks ranked second, at $1.1 billion in sales. Fresh sandwich sales were the third-largest category, representing $823 million in sales.

Hot beverages were the only item in the C-store fast food category that exhibited a decline in sales—dropping 33 percent in sales—from $821 million in 1987 to $549 million in 1988. The total dollar amount spent on fast food cooked on site rose from $313 million in 1987 to $588 million in 1988.

Retail-host restaurants* have been increasing their share of total industry food and drink sales

Year	**Percent of total foodservice industry food and drink sales**
1980	2.7%
1981	2.8
1982	2.9
1983	3.1
1984	3.3
1985	3.5
1986	3.7
1987	3.9
1988	4.1
1989**	4.2
1990**	4.3

**Includes drug and proprietary store restaurants, general-merchandise store restaurants, variety-store restaurants, food-store restaurants, grocery-store restaurants, gasoline-service-station restaurants, and miscellaneous retailers*

***Projected*

Source: National Restaurant Association

Prepared foods offer more profit

One reason behind the fast food sales growth at C-stores relates to its high gross margin of profitability. For instance, in 1988 food cooked on site had a gross profit margin of 48 percent, compared to 27 for beer or 22 for milk and milk products. Perhaps realizing this, the number of C-stores offering fast food to their customers has risen dramatically. In 1988, 83 percent of C-stores offered consumers prepared foods—up from 73 percent in 1986. Also, more stores offered microwave use than ever before—95 percent of stores had microwave equipment in 1988, compared to 92 percent in 1987.

Food sales at C-stores continue to be primarily takeout purchases. Convenience-store seating for fast food patrons has not expanded at nearly the rate expected. In 1988, 8 percent of C-stores had in-store seating—unchanged from 1987. In addition, the percentage of C-stores offering video rentals has declined rapidly. Video-rental programs, which C-store oper-

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*****CREST stands for Consumer Reports on Eating Share Trends, a diary survey conducted by one of the NPD marketing and research companies.*

******An eater occasion is one meal eaten by one person.*

[illegible]

Most C-stores offer microwave equipment, fountain drinks and fast food

Percent of convenience stores offering:	**1987**	**1988**
Microwave equipment	92%	95%
Fountain drinks	95	96
Prepared foods (fast food)	80	83
Service deli	33	39
On-premises bakery	5	6
Fried chicken	4	3
Pizza	7	4
Video rentals	63	40
Automated-teller machines	12	10
Credit cards	47	68
Lottery tickets	38	51
Seating for fast food	8	8

Source: National Association of Convenience Stores

[illegible]

Fast food items accounted for 15 percent of total convenience store sales in 1988

	Percent of sales[1]	
Product group	**1987**	**1988**
Room temperature items[2]	52.0%	53.0%
Cooler items[3]	32.2	29.0
Fast food[4]	13.1	15.0
Frozen[5]	2.7	2.8

[1] Industry average

[2] Includes bread and cakes, cookies, salty snacks, candy, gum, groceries, health and beauty aids, tobacco, publications, wine/liquor, motor oil and other general merchandise

[3] Includes beer, soft drinks, juices, milk and milk products, packaged deli, produce and eggs

[4] Includes fresh and frozen sandwiches, deli services, food cooked on site, fountain drinks, frozen and hot beverages and other fast food

[5] Includes frozen food, ice cream and ice

Source: National Association of Convenience Stores

ators had hoped would entice a quick meal or snack sale, have fallen from 63 percent in 1987 to only 40 percent in 1988.

Patron differences

Although some similarities exist between C-store patrons and restaurant fast food purchasers, there are more differences.

According to 1988 CREST data:

☐ Well over one-third of all C-store fast food was consumed in the car, compared to only 12 percent for quickservice establishments.

☐ The vast majority (66 percent) of C-store patrons were between the ages of 18 and 49, compared to a lesser 52 percent of quickservice patrons in that age bracket.

☐ The average check per patron was much lower for C-stores—$1.60, contrasted to $2.69 for quickservice and $3.64 for all restaurants (excluding tips).

☐ More foodservice patrons go solo to C-stores than to any other type of restaurant—one is the average party size in C-stores, compared to two for quickservice places.

☐ While restaurant patrons visited less frequently at the beginning of the week, Monday and Tuesday were quite popular days with C-store patrons. Saturday was popular with both.

☐ Sunday was the least-popular day for C-store fast food purchases, capturing less than 10 percent of all weekly eater occasions. Sunday represented 14 percent of occasions for quickservice establishments.

☐ Although lunch was nearly as popular in C-stores as at quickservice restaurants (34 percent and 36 percent of eater occasions, respectively), snacking was more popular at C-stores. More than four out of 10 eater occasions in C-stores were for snacks, compared to 16 percent for quickservice places.

☐ Just under 5 percent of eater occasions in C-stores were made in a drive-thru, compared to almost 20 percent for a quickservice establishment. However, more C-stores can be expected to add drive-thrus in the years ahead.

What's in the future?

Convenience-store owners are not likely to ease back on such a profitable segment of their operations, especially amidst overall slowdowns in sales. However, they are feeling the pressures of the labor shortage, and the labor-intensiveness of fast food will continue to be weighed against the high profit margins it can generate. According to *Convenience Store News*, the convenience-store industry is divided into two fast food camps: (1) chains focusing on self-serve equipment and labor-saving equipment and (2) those aiming to serve higher-quality products by investing in the labor required to run a competitive foodservice program.

—Elizabeth Gordon

Teenagers: important C-store patrons

Teenagers, who typically buy large amounts of fast food, are important to the convenience-store industry. A recent Gallup survey conducted by *Convenience Store News* indicated that during a typical week during the first half of 1989, teenagers purchased fast food in a C-store an average of 2.19 times. Fountain drinks were the most popular C-store food item; 73 percent of all teens surveyed mentioned fountain drinks as their most recent purchase. Hamburgers, pizza and soft ice cream or yogurt were other favorite purchases.

According to the survey, fast food sold in C-stores appeared to be universally popular among teens. There was no significant variation by demographic factors. However, some foods were more popular in some regions of the country than others. For instance, teens were more likely to buy fountain soda and fried chicken in the South, hamburgers in the South and West, and freshly prepared sandwiches in the East and Midwest. Hot dogs, saladbar selections and Mexican food were more likely to be purchased in the West.

Foodservice Market Measure–October 1989

The Foodservice Market Measure posted a significant gain in October 1989, with 51 percent of adults reporting they were foodservice patrons on a typical day. This compares to a lower 45 percent in September 1989, and 45 percent one year earlier in October 1988. However, the October increase can be attributed entirely to food purchased for takeout.

The proportion of adults using takeout or delivery reached an all-time high in the 17 months since the Market Measure has tracked behavior. Off-premises purchases were made by 24 percent of adults on a typical day in October 1989, compared to 27 percent who reported eating on premises. In comparison, 18 percent of adults were off-premises patrons on a typical October 1988 day, and from January through September 1989, off-premises patronage of adults averaged 19 percent.

Carryout for both lunch and dinner recorded their highest levels in October. This is only the second time since June 1988 that the proportion of off-premises dinner patrons has equaled or surpassed on-premises customers. The proportion of adults who purchased dinner for off-premises consumption—13 percent—was similar to the 12 percent who ate dinner on premises.

Overall, 27 percent of adults ate on premises in October 1989, similar to the 29 percent who did so in September 1989 as well as in October 1988.

Percent of adults who were foodservice patrons for takeout on a typical day

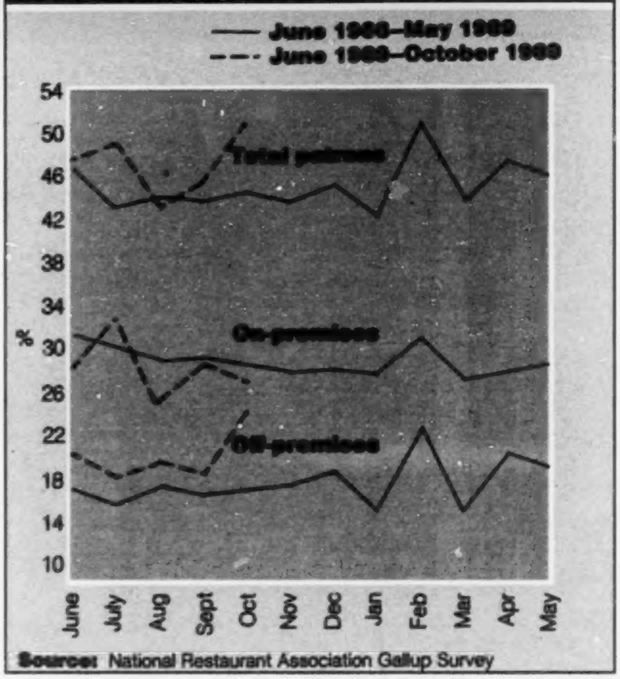
	June–August 1989
Men	22%
Women	17
18-24 years old	31
25-34 years old	26
35-49 years old	22
50-64 years old	14
65+ years old	6
Married	18
Not married	23
Women employed	
☐ Full-time	22
☐ Part-time	21
Women not employed	12
Monday	16
Tuesday	17
Wednesday	16
Thursday	22
Friday	26
Saturday	23
Sunday	17
East	19
Midwest	20
South	22
West	17

Source: National Restaurant Association Gallup Survey

Off-premises demographics

By looking at Foodservice Market Measure data from June, July and August, it is clearly apparent that takeout is particularly popular among younger adults, singles and women who are employed. Takeout is especially popular on Thursday, Friday and Saturday and in the southern United States.

Percent of adults who were foodservice patrons on a typical day



Source: National Restaurant Association Gallup Survey

Generally, the likelihood of ordering takeout is edging upward for most consumers. Still, there are some significant gains that should be noted.

☐ In addition to being more likely than women to purchase takeout, men were also significantly more likely to do so during summer 1989 (22 percent), versus summer 1988 (19 percent).

☐ Although younger consumers are the most likely takeout customers, the only significant increase was posted by adults 50 to 64 years old, with 14 percent reporting they were takeout customers on a typical day during summer 1989, versus 9 percent last summer.

☐ Takeout was most popular in the South. The only significant regional gain was made in the South—from 18 percent of adults purchasing takeout on a typical day during summer 1988 to 22 percent during summer 1989.

—Susan Mills

Foodservice Market Measure

The Foodservice Market Measure is based on 1,000 telephone interviews, conducted by the Gallup Organization each month, with a nationally representative sample of adults age 18 and older. Each person is asked the same questions:

1. Which of the following did you do yesterday?

☐ Ate on the premises of a restaurant, fast food place, cafeteria or any other place where you purchased a meal or snack.

☐ Purchased takeout food "to go" or had it delivered.

2. Was the food you ate on premises yesterday for breakfast, lunch, dinner or a snack?

3. Was the takeout food you purchased or had delivered for breakfast, lunch, dinner or a snack?

The monthly tracking of purchases is supplemented by quarterly inquiries on topics of industry interest.

1 [illegible]

Location: Manchester, NH
Association member: William Gaudes
Operation: Blake's Creamery Incorporated
Profile: Owner of 6 family-style restaurants
In business: 25 years
Seats: 100
Meals served: Breakfast, lunch, dinner

New Englanders eat more ice cream than people in other parts of the country, so it's no surprise that a chain of restaurants that specialize in ice cream does well in New Hampshire. Blake's Creamery, owner of six Blake's Ice Cream Restaurants in the Manchester area, has been selling dairy products for 90 years and making ice cream for 25.

The restaurants sell a full breakfast menu, specialty sandwiches and light meals; but the desserts, featuring Blake's own premium product in 30 different flavors, are the drawing card.

Manchester, 55 miles north of Boston, was one of the fastest growing hi-tech areas in the country. But growth has leveled, and firms are cutting back their staffs. As a result, finding help has done a complete about-face. Last year, an ad would bring fewer than five replies, whereas this year a help-wanted ad is answered by as many as 50 applicants.

[illegible]

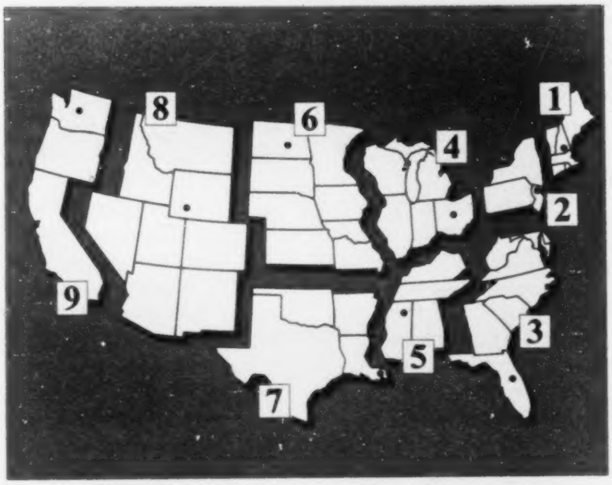
Location: Mountainside, NJ
Association members: Manny and George Georgiadis
Operation: Echo Queen
Profile: Diner with fullservice dining room
In business: 32 years
Seats: 114
Meals served: Breakfast, lunch, dinner

Echo Queen has something for everyone—from fast food to high cuisine to made-from-scratch ethnic specialties. The fish part of the menu alone lists 28 items. Owner **Manny Georgiadis** admits that with help so hard to find, it's becoming more difficult to offer such an extensive menu.

Located on Highway 22, halfway between New York and the Pennsylvania border, the diner attracts travelers as well as residents from the surrounding towns. Georgiadis estimates 90 percent of his business is made up of regulars, including the travelers who have been making the restaurant a stop for years. But business is down by as much as 20 percent, due to the area's lagging economy. To bring in more business, Georgiadis is beginning to advertise again.

3 [illegible] ATLANTIC

Location: Orlando, FL
Association member: Chuck Baker
Operation: Rogers Diner
Profile: Diner-type cafe
In business: 29 years
Seats: 52
Meals served: Breakfast, lunch



Rogers Diner is not near Disney World or any of the other Orlando theme-park attractions, but it has still profited by Orlando's phenomenal growth. Although some complain there is too much competition, Rogers's business has averaged an 18 percent increase over last year. **Chuck Baker,** owner of Rogers Diner, has built up a large repeat business with the people who work in his area; some eat at his restaurant as often as 12 times a week, stopping by for breakfast and returning for lunch.

Breakfast is American style—eggs, bacon, ham, sausage, pancakes, etc. Lunch is a daily entree with a choice of two vegetables out of 10 available. For dessert there's always peanut-butter pie, a frozen creamy peanut-butter filling in a graham-cracker crust topped with chocolate syrup.

4 [illegible] CENTRAL

Location: Columbus, OH
Association members: Richard Stopper, Dan Berg
Operation: Fifty Five on the Boulevard
Profile: Fine dining
In business: 6 years
Seats: 190
Meals served: Lunch—Monday through Friday; dinner every night

Columbus's growing economy—it was named one of the top 10 growing cities by *Fortune* magazine—and a new City Center with restaurants, shops and theaters—helped make August "the best month we've ever had," according to Fifty Five on the Boulevard manager **Dan Berg.** The restaurant is located in a renovated warehouse near hotels and a little north of downtown. The decor is upscale modern, with light woods, art deco, flowers and plants. A focal point is a large hanging quilt, made by a local citizen.

The food at Fifty Five is new American cuisine, with an emphasis on fresh seafood. Every day six fresh-catch items are listed—usually salmon, swordfish, tuna, grouper, scrod and halibut.

The restaurant features regional dishes, such as Maryland-style crabcakes, paired with a complementary wine. Ethnic months have also proven to be popular.

5 [illegible] CENTRAL

Location: Tupelo, MS
Association members: T.M. Ashcraft, Carey Guy, Sue Howell
Operation: The Front Porch
Profile: Midscale restaurant
In business: 4½ years
Seats: 240
Meals served: Lunch, dinner

The Front Porch is nestled in a cypress building in the town that is famous for being the birthplace of Elvis Presley.

Tourists often stop by the seafood restaurant, which offers a 20 percent discount to those holding a tourist card. In addition to catfish, the restaurant serves all kinds of seafood from the Gulf Coast and four types of steak. The restaurant's own seasoning accompanies the blackened dishes. Desserts include a cheesecake made by the owner's wife and a pecan pie made according to a recipe from manager **Sue Howell's** mother.

6 WEST NORTH CENTRAL

Location: Steele, ND
Association members: Susie and Fred White
Operation: Lone Steer
Profile: Midscale restaurant open 24 hours a day
In business: 12 years
Seats: 75
Meals served: Breakfast, lunch, dinner

Steele, a small town halfway between Bismarck and Jamestown, is in a farm belt where the continuing drought has hurt the economy. But business at Lone Steer has been good, thanks to the town's centennial celebration this summer and a national bowling convention held recently in Bismarck. Owner **Susie White** expects to feel the effects of the drought this winter.

The Whites's restaurant, part of a 60-room motel, includes a coffee shop and a steakhouse. Homemade pies and breads—tomato, cheese and bacon, and vegetable—are so popular that they are often ordered for takeout.

Two years ago White and her cashier began a redecorating project that was planned to take two weeks; it took two years. Antique items are part of the new design, including the wedding gown worn by White's mother. Townspeople have added their own family treasures to the collection.

To compete with restaurants in Bismarck, White has begun offering a no-frills dinner—meat, potato, slaw and toast. With a large retirement home nearby and 55-and-older persons making up 70 percent of the county's population, she's also planning to run specials for senior citizens.

7 WEST SOUTH CENTRAL

Location: Metairie, LA
Association members: Richard Benson, Douglas Leman
Operation: The Caribbean Room
Profile: Fine dining
In business: 60 years
Seats: 200
Meals served: Lunch—Monday through Friday; dinner every night

An economy depressed by the oil slump and a glut of new hotels, many of which opened during the 1984 World's Fair, have not taken away business from the Ponchetrain Hotel and its restaurant, The Caribbean Room. In fact, the hotel in New Orleans's Garden District has become a landmark that attracts celebrities, out-of-towners and locals. "It is the only hotel dining room recommended by concierges at other hotels," says **Douglas Leman,** maitre d' for 37 years.

Dishes that have been popular over the years include *Trout Eugene*—trout sauteed then served with lump crab and two jumbo shrimp, with a lemon-butter sauce—and a Creole turtle soup. Also popular are blueberry muffins and Mile High Pie (pastry crust with three layers of ice cream and a meringue topping, adding up to a height of 12 to 18 inches).

8 MOUNTAIN

Location: Rocksprings, WY
Association members: Frank and Wing Lew
Operation: Sands Cafe and Bar
Profile: Chinese/American restaurant
In business: 30 years
Seats: 225
Meals served: Breakfast, lunch, dinner

Co-owner **Frank Lew** calls Rocksprings a meat-and-potatoes town. Still, he and his brother have made a success of their restaurant, which features American and Chinese food. There were some tough times, Lew admits, when the bottom fell out of the oil and gas market, "but we pulled through; we're seasoned, and that's what you call true success, I guess."

The American part of the menu has steaks, shrimp cocktail, onion rings, salads. But the signature dish is Chinese—the Singapore chow mein, with beef, pork, shrimp and chicken, stir-fried with onions and Chinese vegetables and served with pan-fried noodles.

Besides the lounge and regular dining room, there is a coffee shop and a banquet room. The restaurant also has a cocktail lounge where people like to gather to cheer for the Broncos (they're 200 miles from Denver) and eat at the bar.

9 PACIFIC

Location: Roslyn, WA
Association members: Jo and Bob Cadwallader
Operation: Miners Cafe
Profile: Casual cafe
In business: 10 years
Seats: 38
Meals served: Breakfast, lunch, dinner

Roslyn, located 80 miles east of Seattle, was a coal-mining town until 1963—when the last mine closed and "the town just emptied." But some of the oldtimers are returning now to spend their retirement years in the familiar surroundings.

When the cafe moved into a new building two years ago, many customers brought their old mining tools to hang on the walls. There's a miner's cap, drills, picks and lanterns—"things I'd never sell because a lot of the owners are now dead, and they brought me their things to share with the world," says co-owner **Jo Cadwallader.**

Breakfast is the main meal at the cafe—some people drive in from Seattle just to have the country-style bone-in ham or German or Cajun sausage. Hamburgers are featured for lunch; their names evoke the mining era—such as the "Slag Pile"—ground beef on a French roll with a mixture of Swiss and Cheddar cheeses and mushrooms.

A boost in state tourism is bringing more visitors to the old town; and once they visit Miners Cafe, many come back. They're also apt to tell their friends about it. "Even in winter, when it can get lean, our business is gaining," says Cadwallader.

—Julie Fintel

Helping to save the rainforests

Concern about the devastation of the world's rainforests through overharvesting continues to mount. Environmentalists point to the deforestation as a major contributor to the "greenhouse effect"—the trend toward global warming as more carbon dioxide is emanated, with less plant life to convert it to oxygen. But although there is a lot of talk about such serious environmental problems, it seems as though very little is being done about it.

RAINFOREST
CRUNCH

One company—Community Products, Inc., based in Montpelier, Vermont—is trying to make a difference. The company was founded by Ben Cohen, of Ben & Jerry's Ice Cream fame, who believes it is important for business to put its money where its mouth is when it comes to values. Community Products' first creation is "Rainforest Crunch," a brittle made of cashews and brazil nuts that are grown by farmers in the South American rainforests. The company purchases the nuts from pickers at a price three to 10 times higher than the amount they would receive for other labors, in effect deterring the growers from using the land for nonagricultural purposes.

Cohen was inspired to create the crunch when he attended a Grateful Dead benefit concert for the rainforests. Backstage, he asked rainforest activist Jason Clay what Ben & Jerry's could do to help, and Clay told him that using Brazil nuts—which can be harvested only from existing trees—would increase the demand for the nuts and therefore help to keep the forests alive and well.

Forty percent of the crunch's profits go to organizations that work to preserve the rainforests.

—Entrepreneur magazine

No shortage of workers there

Unlike its American counterparts, the McDonald's restaurant scheduled to open in Moscow on January 31 is having no problem finding workers to flip burgers and bag fries. A single help-wanted ad in a Moscow newspaper generated 25,000 applicants to fill 630 jobs.

The Moscow McDonald's will be the the company's largest unit—with seating for 900, it is expected to serve 15,000 customers per day. The Soviet applicants—whose backgrounds range from recent university graduates to housewives reentering the workforce—have expressed their eagerness to start a career with McDonald's. By American standards, the rate of pay seems very low—only 1½ rubles per hour, which translates to a mere 25 cents using a new tourist rate of exchange.

With such an abundance of applicants, interviews have been taking 10 hours a day, seven days a week.

—The Washington Times

A good word from Mamma

Mamma Ilardo's Corporation, owner of seven pizzerias in the Washington DC/Baltimore area, offers its employees incentive through an aggressive employee-of-the-month contest. Every month, an employee in each unit wins the honor—and a $150 bonus—by gaining points in the following areas: uniforms and general appearance; attendance and promptness; proper use of time clock; willingness to work; conduct, teamwork and courtesy; job performance; job progression; and initiative. Employees can also receive additional points for introducing new menu or promotion ideas.

Mamma Ilardo's reports that its workers compete seriously for the award, and the winners are announced in the company's bimonthly newsletter.

—Mamma Ilardo's newsletter

Coffee breaks with splash

Hawk's Cay Resort and Conference Center in Duck Key, Florida, is employing unusual ambassadors to attract conference business—dolphins and sea lions.

The resort's on-premises "Zoovet Program" features a dolphin show for its guests' enjoyment. Now the resort is urging meeting planners to schedule coffee breaks to coincide with the shows so that conferees can see the aquatic performers. Or meeting-goers can simply wander out to the "Dolphin Deck," which is adjacent to the conference center, during breaks in their program and have coffee with Claude—a 450-pound sea lion who has become a favorite performer.

—Julie Simon Communications

Domino's runs for shelter

Thirty employees from Domino's Pizza headquarters in Ann Arbor, Michigan, laced up their running shoes this fall for a good cause—collecting funds for the Harriet Tubman shelter for Battered Women in Chicago.

The employees who ran the Old Style Marathon in Chicago in October collected pledges for each mile they ran. At the end of the 26-mile event, the runners had garnered a total of $3,000.

—Domino's Pizza, Inc.

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EATING AT THE BAR ■ NEW TEMP

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ASSOCIATION MEETINGS

SEMINARS

Basic Foodservice Courses

Dining Room Management

2/20	Chicago, IL
2/21	St. Louis, MO
2/26	Grand Rapids, MI
4/2	Atlanta, GA
4/23	Philadelphia, PA
4/25	New York, NY
5/8	Boston, MA
5/9	Portland, ME

Kitchen Management

3/19	Chicago, IL
3/20	St. Louis, MO
4/23	Atlantic City, NJ
4/25	Cincinnati, OH

Foodservice Management Courses

Banquet Management

3/5	Baltimore, MD
3/12	Atlanta, GA
4/23	Chicago, IL
4/24	Detroit, MI

Food Cost Management

3/4	Washington, DC
3/5	Worcester, MA
3/20	Chicago, IL
3/21	Detroit, MI
4/3	Portland, OR
4/4	Seattle, WA
4/27	Denver, CO
5/1	Harrisburg, PA
5/2	Knoxville, TN

Franchising for Growth

3/28	Chicago, IL

Healthy Profits through Nutrition

3/26	Chicago, IL

Labor: Hiring, Training and Retaining

2/27	Chicago, IL
3/12	Pittsburgh, PA
3/13	Alexandria, VA
5/7	Tampa, FL
5/8	Miami, FL

Off-Premises Catering

3/12-13	Chicago, IL
3/19-20	San Diego, CA
4/23-24	Minneapolis, MN

Profitability

2/27	Minneapolis, MN
3/27	Chicago, IL
4/23	Boston, MA
5/8	Washington, DC
5/22	Richmond, VA

Promoting Your Restaurant

3/5	Chicago, IL

Successful Buffet Management

2/26	Lexington, KY
3/26	Boston, MA
4/2	Los Angeles, CA
4/3	San Francisco, CA
4/23	Baltimore, MD
5/22	Portland, OR
5/23	Seattle, WA

Takeout Delivers Profits

3/26	Louisville, KY
3/27	Orlando, FL
4/2	Chicago, IL

For information, contact:
Educational Foundation of the National Restaurant Association
250 South Wacker Drive
Chicago, IL 60606
(312) 715-1010 or 1-800-522-7578

If your company is interested in our in-house programs, call or write to the attention of Jeff Harrison at the above address.

Seminars Scheduled during National Restaurant Association Restaurant, Hotel/Motel Show

5/19

- Applied Foodservice Sanitation
- Customer Service*
- Dining Room Management
- Food Cost Management
- Franchising for Growth
- Healthy Profits through Nutrition
- Kitchen Management*
- Labor: Hiring, Training and Retaining*
- Perfecting Your Culinary Skills
- Profitability
- Promoting Your Restaurant*
- Successful Buffet Management
- Takeout Delivers Profits

5/20

- Applied Foodservice Sanitation
- Banquet Management
- Dining Room Management*
- Food Cost Management
- Franchising for Growth*
- Healthy Profits through Nutrition
- Kitchen Management
- Profitability
- Promoting Your Restaurant*
- Takeout Delivers Profits*

**denotes ½ day program*

Note: *All Chicago seminars except those at the Show are held in The Educational Foundation's Conference Center at 250 South Wacker Drive.*

EXECUTIVE STUDY GROUP SERIES

Financial Officers

4/4–6	Scottsdale, AZ

Foodservice Purchasing Managers

5/17–18	Chicago, IL

Internal Auditors

4/24–27	Key West, FL

Labor Relations

2/22–23	Mobile, AL

Management Information Systems

4/17–20	Nashville, TN

Marketing Executives

5/16–20	Chicago, IL

Multi-Unit Architects, Engineers and Construction Officers (MAECO)

5/16-18	Chicago, IL

Quality Assurance

4/18-20	Atlanta, GA

Tax Executives

4/4-6	Scottsdale, AZ

For more information on specific study groups, contact: Philip Kralovec, (312) 853-2525.

The Executive Study Groups present semi-annual professional development programs for executives who would like to meet with their industry peers to share ideas and concerns. Executives in each of the aforementioned disciplines from member foodservice companies are welcome and encouraged to participate.

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RESTAURANTS USA

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PRESIDENT'S REPORT

Harris H. "Bud" Rusitzky, President
Serv-Rite Food Service and Consulting Corporation
Pittsford, New York

Two key legislative issues

At the National Restaurant Association winter board meeting, there was much discussion about two important legislative issues—the FICA tax on tips and the Americans with Disabilities Act (ADA).

Since January 1, 1988, employers have been required to pay Social Security (FICA) payroll taxes on all tips their employees report. This is unfair—tips are not wages paid by employers and should not be subject to payroll taxes.

Furthermore, there is currently a surplus in the Social Security fund—a surplus that Senator Daniel Moynihan (D-NY) claims is being used to mask the real dimensions of the federal deficit. All the talk about the surplus makes this a good time to pursue repeal of the employer-paid FICA tax on tips.

Repeal legislation faces an uphill battle in Congress, but your association is committed to making a concerted effort to undo this unjust law.

ADA—the bill that prohibits discrimination against disabled persons as employees and customers—was passed by the Senate last year. During the Senate action, industry representatives fought to amend the bill so that restaurateurs were not vulnerable to irresponsible and costly lawsuits.

The bill is now being reviewed by three House committees before it is sent for a vote on the House floor. It is certain to pass; but before it reaches its final form, your association will continue to lobby to try to make sure that the responsibilities that ADA imposes on restaurants are fair and practical.

Association briefs foodwriters

At the end of January, 150 leading food editors from papers across the country gathered for the International Food Media Conference in Washington DC. On the first night of the conference, the National Restaurant Association sponsored a dinner for the editors, so they could sample food from Washington's premier restaurants. The next morning I talked to the editors about industry trends.

The conference is an effective public relations tool for the industry, and we expect this event to generate many stories in publications across the country that will remind the public about the pleasures of eating out.

Solid-Waste Symposium a success

The more than 250 people who attended the Solid-Waste Symposium sponsored by the National Restaurant Association came away with a heightened knowledge of solid-waste issues and what they can do to help resolve those issues. Although we in the industry are not a major cause of the problem, we need to be involved with our communities to help find workable solutions.

A brochure that has grown out of the symposium provides an overview of the solid-waste problem and what the foodservice operator can do about it. The brochure also includes techniques for effective lobbying, a legislative summary and a list of resources, such as hotlines to call. If you would like to receive a brochure, call the Technical Services Department at the National Restaurant Association, (202) 331-5900 or 1-800-424-5156.

New alcohol-awareness training programs

The Alcohol Awareness Task Force has approved a new 85-minute videotape and workbook as well as a new primer on how to help prevent drunk driving. The best defense against liability in any alcohol-related accidents involving your customers is a record of responsible alcoholic-beverage service. The booklet and training tape, available in March, can be used to set up an alcohol-awareness program for your employees.

The booklet, *How to Prevent Drunk Driving—A Restaurateur's Guide*, will be sent out to all association key members in March. To order the video *Alcohol Awareness Training for the Server: the F.A.I.R. Program* for a fee, call the association's Publications Department after March 1, (202) 331-5900 or 1-800-424-5156.

Don't miss out on Great Menu Contest

The deadline for 1990's Great Menu Contest is approaching. But there should just be time to get your entry in before February 28. If you have mislaid your entry form, call the association's Communications Department at (202) 331-5900 or 1-800-424-5156.

Register now for Monterey Wine Festival

Time is also drawing near for the Monterey Wine Festival, to be held in Monterey, California, March 18-20. Join us in learning more about the fine wines produced by approximately 250 California wineries.

Find out the nutritional content of your recipes

In this age of the health-conscious consumer, the National Restaurant Association is beginning a nutrient analysis service. Send in your recipes; and, with the use of a computer, the association will analyze the nutritional content per serving. A report will be returned to you listing calories, protein, carbohydrates, sugar, dietary fiber, sodium, fat and cholesterol. The information will also include diabetic exchange values.

Use this service to have nutritive information on hand for patrons who ask for it; to identify the nutritional content of recipes; and to identify ingredients that contribute fat, cholesterol, sodium and calories.

Cost is $10 for one recipe, $7 per recipe for two recipes, $6 per recipe for three and $5 per recipe for four. Cost to nonmembers is higher. Recipes will be returned first-class mail within five working days of receiving the recipe. For an additional cost, orders can be returned via Federal Express or FAX. See the back cover of this magazine for further information.

Welcome new members

The board has approved dual-membership contracts for two new state restaurant associations—Idaho and Georgia. Two other state associations, Hawaii and Maryland, have renewed their dual memberships. Twenty states have now entered into dual membership with the association, bringing our total membership to 18,000.

We welcome the new members from Idaho and Georgia and the 80 regular members who came aboard in January. We look forward to working with you on behalf of the foodservice industry.

Sincerely,

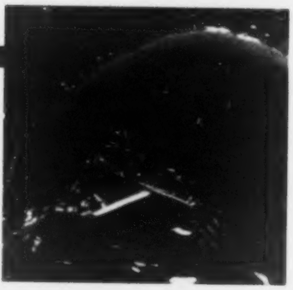
Bud Rusitzky

Harris H. "Bud" Rusitzky
President and Chairman of the Board

RESTAURANTS USA

SPECIAL BEVERAGE ISSUE

This issue of ***Restaurants USA*** looks at what's happening on the beverage scene. There is a lot to report. People may be drinking less alcohol, but they still want something to quench their thirsts. This issue gives suggestions that range from award-winning beers to eating at the bar. For operators who don't offer alcohol, don't miss the stories on bottled waters and coffee and tea.



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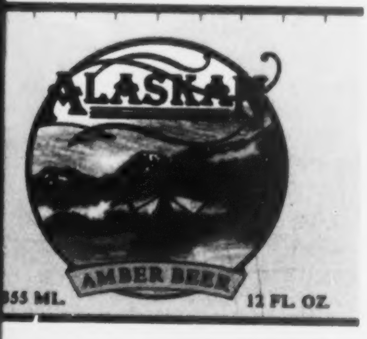
10 Where is the temperance push going?
It's definitely here—the third temperance movement in U.S. history. Read about where this movement came from, where it is headed and what can be done to keep it from getting out of hand.

16 Eating at the bar
With the declining interest in alcohol, the "bar scene" may seem like a thing of the past. Not necessarily. Restaurateurs are offering great food, service and fun at the bar to keep those barstools occupied.

19 Riding the crest with bottled waters
With more people looking for an alternative to alcohol, bottled waters—with their fresh and wholesome appeal—continue to increase in popularity.

21 Fun, food and foam at a beer dinner
Follow a ***Restaurants USA*** contributor as he describes his "heady" trip through a beer-tasting dinner, where several beers were paired with foods in surprisingly delicious combinations. Then use the tips and guidelines to plan your own beer-tasting dinner.



24 At the head of their class
Increasingly sophisticated beer-drinkers and a growing selection of American microbrewed beers have combined to make beer a drink for the '90s. Here's a list of award-winners from the American Beer Festival to help you make selections for your beer list.

27 What makes a bartender great?
Today's bartenders know it takes a lot more than armchair psychology to keep customers happy. Top bartenders from around the country offer secrets of their success and—yes—advice to fellow barkeeps.

30 How to store table wines
Where and how you store wine will determine its shelf life and quality. Here are tips from an expert on how to keep your wine stock in top condition.

32 Selling wine the easy way
Here is a simple and inexpensive marketing idea that will make selling wine easier and less intimidating.

33 Perking up tea and coffee sales
Read about trends on the coffee and tea front—and catch the recipes for two special iced treats.

Cover photo by Gary Landsman; back cover photo courtesy of National Cancer Institute

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SHORTORDERS

Pasta group wants chefs to use their noodles

The National Pasta Association (NPA) is celebrating National Nutrition Month in March by holding its first "Use Your Noodle" contest.

The American Dietetic Association will join NPA in helping restaurant chefs in 11 cities create delicious pasta dishes low in calories, fat, cholesterol and sodium. The best recipe from each city will compete in the Use Your Noodle cookoff in New York City on April 18.

On behalf of the finalists, the NPA will donate pasta to kitchens for the homeless in each city. In addition, the winning restaurant will receive a week's supply of pasta during October, National Pasta Month.

Restaurants in the following cities are eligible to enter the contest: New York, Los Angeles, Chicago, Philadelphia, San Francisco, Boston, Detroit, Dallas, Washington DC, Houston and Des Moines.

For more information, contact Lisa Jakobsberg or Mary Solomon by February 28 at (212) 265-9150 or write to Fleishman-Hillard, Inc., c/o "Use Your Noodle," 40 West 57th St., New York, NY 10019.

Shipping and carryout in one easy package

Innovation kudos. **Subway and Oscar Mayer/Louis Rich have developed a box for shipping turkey-breast packages that converts to a multiple-order carrying container. Eventually all Oscar Mayer/Louis Rich products for Subway will be packed in the new, reusable box.**

According to Subway President and founder Fred DeLuca, who designed the box, "It was time we made our contribution to a safer environment. Our customers are concerned about the environment and so are we."

"For every customer who brings one of our boxes back, we have encouraged franchisees to offer a discount on future orders," says DeLuca.

You must register for the Show

Your 1990 National Restaurant Association membership card, mailed in January, will not get you into this year's Restaurant, Hotel/Motel Show, to be held May 19–23 in Chicago.

In the past, membership cards were all that you needed to get into the Show. Although members will still be admitted to the Show at no charge, this new procedure requires members to register for the Show separately. Please return the Show registration form you receive in the mail as soon as possible to ensure your admission and to reserve accommodations.

Winemakers, wine lovers meet in Monterey

For anyone who is serious about wines, the Monterey Wine Festival has become a must. The 1990 Monterey Wine Festival will be held March 18–20 at the Monterey Conference Center in Monterey, California. This year approximately 250 California wineries will pour

A popular festival feature is the opportunity attendees have to speak with winemakers and winery owners.

Book Corner

The basics are brand new

If you want to know the culinary direction in which consumers are headed, consider some of the cookbooks that are becoming bestsellers. Among the holiday newcomers was *The New Basics Cookbook* by the ex-Silver Palate duo Julee Rosso and Sheila Lukins. Some reviewers believe this colossal tome (849 pages and nearly 900 recipes) may well replace *The Joy of Cook-*

VEGETABLE BUNDLES

Makes 4 portions

Ingredients:

3 carrots, peeled
2 parsnips, peeled
1 leek, well rinsed
2 scallions (green onions), just 4 inches green
4 Tbs. (½ stick) unsalted butter
1 shallot, peeled and minced
½ tspn. dried tarragon
1 tspn. chopped fresh dill
Freshly ground black pepper, to taste
4 sprigs dill, for garnish

Method:

1. Trim the carrots, parsnips and leek to 5-inch lengths. Slice them into long julienne strips.
2. Fill a large saucepan with water and bring to a boil. Place carrots in a metal basket or strainer, submerge them in the water, and cook for 20 seconds. Rinse under cold water and set aside to drain. Repeat with parsnips, cooking them for 30 to 40 seconds; with the leek, cooking it for 5 seconds; and with the scallions, cooking them for 45 seconds.
3. Evenly divide the carrots into four bundles; then add parsnips and leeks to each bundle. Separate scallion greens into four long strips, and use them to tie each bundle around the center, forming a knot. Set bundles aside.
4. Melt butter in a skillet. Add shallot, tarragon, chopped dill and pepper. Cook over medium heat for 1 minute. Add vegetable bundles, cover skillet and cook for 2 minutes.
5. Transfer bundles to a warmed serving dish and insert a sprig of dill behind each scallion knot. Spoon herb butter over bundles. Serve immediately.

900 wines for an anticipated 1,200 attendees.

More than just a showcase for California's fine wines, the Monterey Wine Festival is also a major educational forum for anyone who wants to learn about wines from the experts.

The top attractions are, of course, the tastings, to include reds, whites and dessert wines; but there are also educational programs on such topics as marketing. In addition, a popular component of the Monterey Wine Festival is the Winemaker Luncheons. At the luncheons, attendees dine at some of the area's finest establishments while listening to presentations by several of the top names in California's wine industry.

The cost of attending the Monterey Wine Festival is $345 per person. Registration admits attendees to all events, receptions and programs. Hotel accommodations are not included. To register, contact Monterey Wine Festival, c/o National Restaurant Association, 150 N. Michigan Ave., Ste. 2000, Chicago IL 60601, (312) 853-2525; 1-800-525-FEST

Glimpses into the U.S. culinary past

***Stay tuned.* A food series is coming to public television. And its topic is American dining traditions over the centuries. The program, called "A Moveable Feast" premieres Wednesday, February 21, at 8 p.m. Included will be the famous Harvey Girls (shown here), who became synonymous with service at the turn of the century.**

Ballard: top mixologist

***Hats off to one creative bartender.* Taking top honors in the Fourth Annual Southern Comfort Mixologist Contest, Beth Ballard (left) of Indianapolis was awarded a victory party at her hometown bar hosted by actress and contest spokesperson Allyce Beasley (right). Beasley—a bartender in her own right before finding success on prime-time TV—and Southern Comfort On-Premise Representative John Higgins presented Ballard with the championship trophy at "Sports, A Bar and Grill" in honor of her drink creation called "The Sportscaster."**

To make "The Sportscaster," shake over ice 1¼ ozs. Southern Comfort, ½ oz. peach schnapps, 3 ozs. orange juice, 2½ ozs. pineapple juice and ¼ oz. amaretto. Serve in a 12-oz. highball glass and garnish with a fresh strawberry.

Association offers new nutrient-analysis service

How many calories are in your menu items? And how much protein, fat, cholesterol, sugar, dietary fiber and sodium do they have? You needn't guess any longer. The National Restaurant Association now offers a nutrient-analysis service, which calculates the nutritional content of recipes. The computer program Nutritionist III is used to figure the nutritive value of a recipe on a per-serving basis. Any recipes that include ingredients, amounts and methods can be analyzed. The caloric distribution (percentage of calories from protein, carbohydrates, fat and alcohol) and diabetic exchange values also are calculated.

The analysis service automatically sorts ingredients by nutrients. Ingredients that contribute fat, cholesterol, sodium and calories are ranked from highest to lowest. This will allow you to make ingredient modifications accordingly.

Call the association's Information Services Department at 1-800-424-5156 or (202) 331-5900 for price information and an order form.

THE NEW BASICS
COOKBOOK
JULEE ROSSO &
SHEILA LUKINS

ing as the bible for cooks of the 1990s, because of its exhaustive features. Although there are chapters on all the popular courses—and then some—with 115 pages on vegetables alone—what makes this book such an enjoyable primer is its quotes, definitions, pantry secrets, conversion charts, menus, preparation pointers and serving guides. It tells readers how to entertain and even how to equip a kitchen and stock a pantry.

That's no accident, says Sheila Lukins. "We wanted to write a basic cookbook to reflect all that we have learned about food and cooking and healthy eating—and one that reflected all the wonderful new ingredients that stock our pantries and are easily available in our markets."

So if you like to unwind with a juicy, fun-packed cookbook or make it a point to know what your patrons are serving at home, this is one book you'll not want to pass up.

***The New Basics Cookbook* by Julee Rosso and Sheila Lukins (Workman Publishing Co., 1989) $29.95 cloth; $18.95 paper**

Illinois restaurateurs say "don't drive drunk"

Until the end of February, more than 20 Chicago-area restaurants are encouraging their patrons to dine and wine intelligently by rewarding designated drivers with complimentary soft drinks and $10-off discount coupons on a dinner for two or more at any of the restaurants participating in the anti-drunk-driving program.

The program is sponsored by the Illinois Restaurant Association (IRA). "We encourage everyone who is going to a party to use our designated-driver concept," says IRA president Andrew Kelly. "Even though the percentage of alcoholic beverages served by restaurants is smaller than most people think, our members are committed to the concept of dining and wining intelligently."

In addition to the designated-driver program, the IRA cosponsored free rides on Chicago buses and subways on New Year's Eve. "We did all we could to keep drunk drivers off the road during one of the most dangerous times of the year," said Herman Berghoff, IRA chairman.

Showing their support for the designated-driver program developed by the Illinois Restaurant Association are (from left) Andy Kelly (IRA president), Don DePorter (Hyatt Hotels), Gene Sage (Sage's), Michael Lieberman (Michael Stuart's), Hal Binyon (Binyon's), Tim McGivern (Great Godfrey Daniel's), Arnie Morton (Arnie's) and Don Roth (Don Roth's). The group met at Sage's Restaurant.

Denver restaurant employees party for charity

The Mile High Chapter of the Colorado Restaurant Association celebrated "Hospitality Industry Employee Day"—declared by Governor Roy Romer to be November 9—with a bartenders' ball. Six hundred people attended.

The ball, the first party given strictly for foodservice industry employees, raised $2,000 for Senior Support Services, an organization that offers meals, counseling and other services to Denver's inner-city homeless and elderly.

The highlight of the ball was the world premiere of "The Maltese Cocktail," a one-hour detective spoof, written and directed by Mile High Chapter Board member Jim Sullivan. Sullivan, president of PENCOM, Inc., spent months making the movie, which featured more than 60 metro restaurants and starred PENCOM employees.

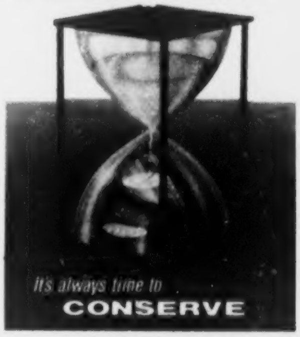
The Mile High Chapter, pleased with the success of the ball, plans to make it an annual event.

More than 600 Denver restaurant employees hailed their association's bartenders' ball as "the party of the year."

Florida restaurateurs look forward to continued growth

Florida restaurateurs are optimistic that the '90s will

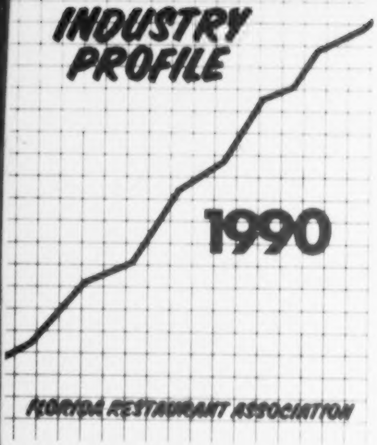
California Restaurant Association promotes water conservation



To help conserve water in drought-plagued California, the California Restaurant Association (CRA) is supporting members' efforts to serve water only at patrons' requests.

CRA has produced a four-color table tent that explains the absence of the customary glass of water by saying, "At your request, a glass of water is available. While drought conditions have improved in some areas of California, the overall picture is still threatening. Therefore, we are asking your help in conserving our precious resource."

The table tents, whose production costs were donated by Los Angeles-based Kenyon Press, Inc., are free to members.



bring another decade of growth, according to a Florida Restaurant Association industry profile survey.

Thirty percent of restaurateurs reported sales increases of more than 10 percent during 1989, while 25 percent said sales were up between five and 10 percent. Average net sales per restaurant went up nearly $600,000 during 1989, compared to the last survey, taken in 1987.

Despite Florida's 40 million visitors last year, the survey showed that restaurants were less dependent on tourism for business. In 1989, 30 percent of the patrons were visitors, compared with 34 percent two years ago.

The Florida Restaurant Association (FRA) predicts restaurant sales in Florida will hit a record $11 billion in 1990, up from $10.2 billion in 1989. Almost 61 percent of responding restaurateurs expect an increase in profits in 1990, about 16 percent see no change and 24 percent predict a decrease in sales.

The foodservice industry continues to be the state's largest nonagricultural employer. The average hourly wage jumped from $4.20 in 1987 to $4.81 in 1989. With the increasing minimum wage, the average hourly rate could top $5 by the end of 1990.

One-third of FRA's membership, representing 1,500 foodservice facilities, answered the survey. For a copy of the survey ($3.50), write to 2241 Hollywood Blvd., Hollywood, FL 33020 or call (305) 921-6300.

Pennsylvania group gears up for Coffee Day

The Central Pennsylvania Restaurant Association (CPRA) is once again gearing up for its Buck-a-Cup Coffee Day fundraiser for the National Easter Seal Society.

During March, restaurants will sell Coffee Day pins to patrons for one dollar. On March 29—Coffee Day—patrons wearing the pins will be entitled to free coffee.

Easter Seal has honored CPRA for last year's outstanding fundraising efforts. In 1989, the counties of Cumberland, Dauphin and Perry raised about $71,000 through the Buck-a-Cup campaign. That helped make the tri-county area the top Buck-a-Cup Society in the nation for six consecutive years.

Wilmer Lapp, Christy Lapp and Lloyd Esh of the Bird-in-Hand Family Restaurant received the Easter Seal Society's greatest award of appreciation for raising the most money statewide—more than $8,700 during the campaign that benefits crippled children and adults.

CPRA, which is a chapter of the Pennsylvania Restaurant Association, also raises money for Easter Seal through sub sales and a celebrity chef brunch.

FEEDBACK

Applause for December issue

Dear Editor:
In the past, as food and beverage manager, I always looked forward to receiving my copy of ***Restaurants USA,*** and usually read it from cover to cover.

As general manager, the magazine continues to come across my desk and usually gets a cursory review by me and then is passed on to the food and beverage department.

Not true with the December issue. I think this issue is one of the best you have ever done. In particular the articles on leadership, casualization and the 1990 forecast were superb!

This copy is staying with me for future reference and will definitely influence much of my thinking on issues in the food and beverage departments as well as the other departments of our resort.

Keep up the good work.

**—Edward R. Tomba,
general manager,
Lake Mead Resort,
Boulder City, NV**

I appreciate your thoughtful focus on the Americans with Disabilities Act in the December issue of ***Restaurants USA.*** The article by Julie Fintel was especially pertinent.

I look forward to working with the National Restaurant Association to implement the participation of people with disabilities in the productive and profitable operation of restaurants throughout the nation.

**—Justin Dart, chairman,
The President's Committee on
Employment of People with
Disabilities, Washington DC**

I was absolutely delighted to read my interview in the December issue of ***Restaurants USA.*** It was my pleasure to have had the opportunity to be featured in such a great publication. Thanks for including me.

**—Wess Roberts, author,
Leadership Secrets of Attila the Hun, Rohnert Park, CA**

Stop the music!

Perhaps members of your association wonder about the decline of diners in nice restaurants. As one of many, I want to express my views.

1. Despite good food and good service, we hate eating in a place with Muzak.
2. Screaming, suffering, groaning and banging sounds are not music. It's even piped into bathrooms and on "hold" when calling for a reservation.
3. When Muzak isn't on, the radio is and we are subjected to commercials and news.
4. Employees bear the brunt of complaints. This causes stress when people should be enjoying themselves.

Between retail stores and restaurants, we are *barraged* with noise. Help!

**—Mrs. D. Fraser,
Naperville, IL**

Readers are invited to comment on industry issues, ***Restaurants USA*** *articles and association activities. Send your opinions to Feedback,* ***Restaurants USA,*** *1200 Seventeenth Street, N.W., Washington DC 20036-3097. Submissions may be edited for length.*

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TEMPERANCE MOVEMENT

STOP AT MODERATION?

Observers of the U.S. lifestyle agree that we've made a turn toward tighter personal control over our own consumption and increasingly open disapproval of behavior we dislike in others. Some call it a new temperance movement, even neoProhibition. But no matter the name, one thing is clear: The restaurant industry must make a thoughtful response to its customers' concerns or risk becoming part of the perceived problem.

Perhaps you saw them this past holiday season on the highways or city streets or tied one on yourself—red ribbons distributed by Mothers Against Drunk Driving (MADD), as a symbol and reminder not to drink and drive. This popular campaign has gained momentum since it first started four years ago. In 1989 more than 32 million ribbons were distributed nationwide, and more interest is building for cosponsorship in the future. There is, however, more to this laudable gesture than meets the eye.

Although it is true that no sensible person would dispute the soundness of separating drinking and driving—in fact, the foodservice industry is one of the most outspoken proponents of responsible drinking—many observers fear that the outcry against drunk driving may soon escalate beyond the call for moderation and responsible consumption to a demand for an outright ban on alcohol use.

"No one will argue that organizations like MADD are bad. But the general conservative feeling in the country has allowed other groups that are neoprohibitionist in nature to garner more attention than they would in another climate," says master sommelier Evan Goldstein of Square One in San Francisco. "Restaurants take the brunt of that conservatism, reinforced by government regulations. The result is a drop in alcohol sales. The atmosphere has unquestionably changed in the last two years."

Madeline Triffon, master sommelier and wine buyer at the London Chop House in Detroit, agrees that there is definitely a conservative trend afoot. "I think it germinated two years ago, and I had to pay attention to it last year," she says. Paying attention meant noticing a drop of 20 to 25 percent in sales of distilled spirits and a greater interest in wines by the glass and bottled waters.

Goldstein and Triffon are not alone in observing the change in U.S. drinking habits. Virtually all measures suggest that alcoholic-beverage consumption is in the midst of a long-term decline. A new Gallup poll reports that 56 percent of adults drank alcoholic beverages in 1989, the smallest proportion recorded since 1958 and significantly below its peak of 71 percent in 1976 and 1978. Moreover, a relatively large proportion of those who drink—25 percent—said they plan to cut down or quit drinking in 1990.

As might be expected, the incidence of alcoholic-beverage consumption is down at restaurants as well, mirroring overall patterns. A 1989 study by the National Restaurant Association found that 54 percent of adults consumed alcoholic beverages at restaurants, compared to 61 percent in 1987. Among those ordering

Richard Parisi

alcoholic drinks, 38 percent report doing so less often, 57 percent drink about the same amount and 5 percent are drinking more.

A look at the new temperance movement

David F. Musto, M.D., professor of psychiatry and the history of medicine at the Yale School of Medicine, began warning of an impending temperance movement 10 years ago. Musto believes that this movement is part of a cyclical upswelling of concern about health, safety and propriety. Two similar movements have marked American history, he says.

"There was widespread prohibition in the mid-1800s, as well as a great concern about adulterated food," Musto points out. "A century later, Prohibition outlawed alcohol and many drugs." Today's temperance movement includes most of the elements of both movements, and historians believe that the pattern is predictable.

In the beginning, temperance movements are marked by a call for moderation, but eventually they develop into prohibitionist efforts where all alcohol is perceived to be bad, says Musto. What follows is a call to ban all alcohol.

This progression is what concerns operators and others who believe that drinking in moderation is a privilege that should not be taken away. One outspoken restaurateur is Russ Wohlers, operating partner of Ray's Boathouse in Seattle. "The crux of the problem I have with neoprohibition people is that they are adamant that all alcohol is evil. Alcohol is only evil in the hands of people who abuse its use . . . . We need to distinguish between use and abuse, but that gets lost in the argument somewhere. It's like saying all cars are evil because wrecks happen."

What causes temperance movements?

Musto believes that temperance movements grow when society is generally uneasy about the safety of food or other essentials, usually with some good reason. Today, major issues that fuel the current climate concern chemicals and pesticides in the food chain, safety of the water supply, abuse of drugs, passive smoke and abuse of alcohol.

Ironically, temperance movements typically occur *after* the targeted abused substance has reached a peak in consumption or even subsided. The targeted substance moves from having a safe upper limit in the public's eye to a poison with no safe limit. All uses of it blur into one generalized category of abuse. The problems associated with its abuse—as in drunk driving or heart disease from overeating—become connected to even the most responsible of uses—such as enjoying a piece of birthday cake or having a glass of wine with dinner.

This shift may, in fact, be taking place already. Some states have lowered the legal intoxication limit, raised excise taxes on alcoholic beverages and introduced bills that range from prohibiting "happy hour" promotions to banning alcohol sales in designated high-crime areas.

All these recent restrictions have been some time in the making, observes Malcolm M. Knapp, president of Malcolm M. Knapp, Inc., a marketing research and advising firm that is based in New York City and that consults in the annual National Restaurant Association forecast. He traces the beginnings of the current temperance movement to the 1960s.

"Any major societal change is not an immediate shift but the accumulation of many little changes over a long time," Knapp points out. "I look back at the 1962 publication of Rachel Carson's book on DDT, *The Silent Spring*. It scared a lot of people and got a lot of others thinking about what else might be getting into our food. Nothing has been the same since."

People begin to take action when they feel they have something at risk, he adds. For example, Knapp points out that the Surgeon General's report on smoking came out 25 years ago, and at first a lot of people didn't believe it. "But as the population aged and people sensed their mortality, and attitudes changed. The same thing is happening with nutrition and alcohol consumption."

In a speech he gave during the Surgeon General's Workshop on Drunk Driving in December 1988, Surgeon General C. Everett Koop linked alcohol consumption with smoking. He said: "Twenty-five years ago the public-health community, with the support of citizens' groups and members of Congress, embarked upon a systematic program of research into the relationship between smoking and health. From that information they were able to plan ways to help the American people end their high-risk romance with tobacco. Chief among these ways was a far-reaching program of public education and instruction. And so it appears to me that we may now be—in terms of alcohol and drunk driving—where we were 25 years ago in terms of tobacco and the fatal diseases caused by smoking."

Not everyone agrees, of course. Many people argue that the issues of smoking and alcohol consumption have little in common. Although smoking is a health hazard for everyone, moderate drinking is not; in fact, there is some evidence to suggest that drinking in moderation may actually be beneficial, and a new book by the Wine Association Guild, *The Benefits of Moderate Drinking: Alcohol, Health and Society* reviews much of the relevant literature. In fact, alcohol is a risky substance only if consumed in excess by anyone who is going to drive or by pregnant women and people with certain heart problems.

Another linkage that has been very damaging has been to group alcohol with illegal drugs. Some people including the press, have described alcohol as the "most abused drug in the United States." According to studies by the Distilled Spirits Council of the United States (DISCUS), 87 percent of the public now believe alcohol is a dangerous drug. "Anti-alcohol groups push for restrictive, punitive measures as a solution for controlling alcohol use," says DISCUS President F.A. Meister. These measures include tax increases, fewer li-

GETTING IT DOWN ON PAPER

Having a written statement of your alcoholic-beverage-service policy is probably the single most important thing you can do to protect yourself against third-party liability. This policy statement should be read and signed by all employees and then kept on file as evidence that employees have been instructed properly. The policy can also be shown to guests who might feel they are being unfairly singled out, and a copy should be posted somewhere in your establishment as a constant reminder to employees of their responsibilities as servers of alcohol. The following is an example of such a statement, as reprinted from the National Restaurant Association's new alcohol-awareness booklet.

Alcoholic-beverage-service policy
This establishment is committed to the responsible service of alcoholic beverages to responsible consumers. We are also committed to actions that will help reduce drunk driving. Accordingly, all employees are required to follow the procedures listed below:

1. No employee will serve an alcoholic beverage to any person under 21 years of age or any person who is visibly intoxicated.

2. In order to be served an alcoholic beverage, any guest who is apparently under 30 years of age is required to present documentation that shows him or her to be 21 years or older. Acceptable documentation would be a driver's license with photo or photo identification issued by a government body, corporation or educational institution.

(a) The employee will check the identification to ascertain that it is authentic. The manager should be informed if there is any appearance of forgery or tampering.

(b) In the absence of authentic identification, or in case of doubt, the employee will refuse service of alcoholic beverages to the customer.

3. It is the employee's responsibility to notify a manager immediately when a customer shows visible signs of intoxication. The manager will then inform the customer that further service of alcoholic beverages is no longer legal and suggest alternative refreshment.

4. Any customer showing visible signs of intoxication shall be urged to use the alternative transportation provided by the establishment. If, after strong urging, he or she refuses, a reasonable attempt should be made to

quor licenses, tighter advertising restrictions, warning labels and a ban on reduced-price promotions.

What the alcohol industry is doing

The alcoholic-beverage industry is justifiably concerned that alcohol may become a scapegoat for society's ills. All three sectors of the industry are beginning to address consumers with information programs of their own. The American Wine Alliance for Research and Education (AWARE) was founded a year ago to spearhead the wine industry's public-education efforts.

Patricia E. Schneider, executive director of the consumer-interest group, says that her organization's goal is to highlight the historically positive role wine has played in culture, religion and social activity. "Generally, wine is a civilized refreshment enjoyed with food and friends. The new temperance movement has blurred the distinctions between use and abuse, and has put the industry up against a decided effort to change the way society regards alcohol. AWARE finds that absurd in light of the history, traditions and responsible use of alcohol by millions of people for thousands of years."

Robert Mondavi, founder and proprietor of the winery that bears his name, has set out on a mission to promote wine as a civilized beverage that should not be feared or slandered.

In 1988, concerned that the wine industry sat back while others generalized about the dangers of its products, Mondavi met with the executive committee of the Wine Institute, which later approved funding of a coalition of wine professionals who aim to preserve wine's positive social image.

Mondavi and others now are working with beer and distilled-spirits makers to unite in their common cause. Mondavi advocates an industrywide code of ethics that would prohibit advertising and marketing that emphasize sex, status or sports heroes or that target youth. "We have to do this voluntarily or the government will do something about advertising soon," he asserts.

Late last year the beer industry began to change its ads, with Anheuser-Busch's "Know When to Say When,"

obtain the keys to his or her car. If, despite these efforts, the intoxicated customer leaves in his or her car, the license-plate number should be noted and the appropriate law-enforcement officials should be notifed.

5. After refusing service to any patron, employees will note the appearance and clothing of the individual involved. A form will then be obtained from the manager, filled out and filed in the log book.
6. All liquor will be dispensed in measured, consistent shots.
7. No employee will serve more than one drink to a guest at one time.
8. No employee will serve several drinks to a guest during a short interval.
9. All employees who serve alcoholic beverages will participate in a designated alcohol-awareness training program within one month of beginning employment at this establishment.

I have read this policy statement, understand what is required in regard to responsible alcoholic-beverage service and promise to follow these rules.

Signature ______________________

Date ______________________

HOW TO IMPLEMENT AN ALCOHOL-AWARENESS PROGRAM

In 41 states there are dramshop laws that hold servers of alcoholic beverages liable for the actions of intoxicated guests. If someone is involved in an alcohol-related accident after leaving your operation, you as a restaurant owner, or your employee who served drinks to that person, could be sued.

The best defense against restrictive legislation and third-party liability suits is a record of responsible alcoholic-beverage service. That's why it's important for every foodservice operator who serves alcoholic beverages to institute an alcohol-awareness program.

New association booklet

To help you set up such a program, the National Restaurant Association is issuing a new booklet on alcohol awareness, *Help Prevent Drunk Driving—A Restaurateur's Guide*. In addition it has prepared a new video—which comes with a workbook—to use to instruct your servers in responsible serving of alcohol, titled *Alcohol Awareness Training for the Server: the F.A.I.R. Program* (F.A.I.R. stands for Fundamentals of Alcohol Intoxication Recognition).

The booklet, which will be sent out to all association members in March, describes how to take the following steps for an effective alcohol-awareness program:

☐ reassess service practices and make sure they do not promote or encourage excessive drinking. That includes eliminating promotional material that might be perceived as fostering intoxication, providing bar food, providing alternative transportation to someone who's had too much to drink and fostering a designated-driver program

☐ establish and publicize an alcoholic beverage service policy (see sidebar)

☐ train all servers of alcoholic beverages how to recognize falsified IDs, how to recognize signs of intoxication and how to refuse service to those who are intoxicated

☐ introduce point-of-sales material to publicize your commitment to the message that drinking and driving don't mix.

Other training sources

The new video, approximately 85 minutes long, recreates a seminar that deputy sheriff Ed Ramsperger of Monroe County, New York, gives to members of the hospitality industry on how to be responsible servers of alcohol.

The association's Information Service also has a list of nationally marketed alcohol-awareness training programs for your servers; your state association might also have seminars on alcohol awareness that they offer in your area.

Remember that any program you choose should remain available for training new employees.

THERE MAY BE A "LIGHT" AT THE END OF THE LIQUOR TUNNEL

With consumption of hard liquor falling since 1978, operators are looking for alternatives that can get their bar registers ringing again. Two possibilities that appear promising are the high-end liquors and the more unusual reduced-proof, reduced-calorie "light" alcohols.

Although Americans are drinking less, there seems to be a consensus that they are drinking better. According to John Oliver, director of public relations and event marketing at Seagram, "People are saying, 'I'll drink less because it makes sense, but I won't sacrifice quality.'" With this movement in mind, says Oliver, Seagram recently reorganized its entire company with a concentration on higher-market brands.

Single-malt Scotches, especially, are receiving an increased focus among high-end liquors. These unblended malt whiskeys often are being treated like cognacs by the younger, more affluent drinkers who drive the market.

With the rising national concern about drunk driving, however, "light" alcohols, currently being test-marketed by only a few distilleries, may provide an even better way to lure customers back to the bar. Oliver of Seagram says that "response has been tremendous" to its Mount Royal Light, which is 54 proof and 73 calories per 1.7-ounce serving, as compared to the 110 calories found in the same amount of its regular 80-proof whiskey.

Another company that is cashing in on both the demand for high-end alcohols and the potential market for lighter spirits is Vermont Distillers, a Waterbury, Vermont-based microdistillery that is a small but trendsetting player in the $24 billion liquor industry.

Vermont Distillers offers several unique premium products, such as Veranda Gin, Mad River Vodka and Tamarack Liqueur, made from Vermont maple syrup, bourbon and a blend of spices. The company is also raising eyebrows with its light gin and vodka, which have 25 percent less alcohol and fewer calories—82 calories per 50-ml. serving. The light gin and vodka are both selling at better than 50 percent of Vermont Distillers' regular gin and vodka sales.

Although Vermont Distillers is virtually the only microdistillery in the country, president Brian Tyrol believes that the "boutique" trend will blossom for the liquor industry, just as it did for wines and beers. The fact that people are now favoring premium brands, he adds, "opens things up for microdistilleries because we could never afford to play at the low end. But at the same time, nobody at a major distillery will peel and squeeze a summer cucumber, which we use to give a soft, round taste to our gin."

TAMARACK CHOCOLATE MOUSSE

Serves 12

Ingredients:

½ lb. milk chocolate
½ lb. bittersweet chocolate
2 cups heavy cream
1½ cups powdered sugar
Pinch of salt
6 Tbs. Tamarack liqueur
1 cup sour cream

Method:

Coarsely chop milk chocolate and bittersweet chocolate. Combine and melt in a double boiler or microwave, stirring until smooth.

Whip cream with sugar and salt until soft peaks form.

Whip into cream the liqueur and melted chocolate. Mix briefly to combine. Fold in sour cream. Spoon or pipe into champagne glasses and chill for 20 minutes.

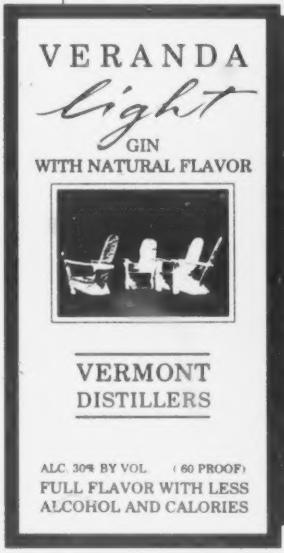
Garnish with straight whipped cream and milk-chocolate curls.

—Carl Huber, III, Tanglewoods Restaurant, Waterbury, VT

The light spirits, says Tyrol, sometimes face resistance from customers "who don't want their alcohol without the punch." But the reduced-alcohol spirits appeal to those who are concerned about drunk driving and also, says Tyrol, to those who "really like the taste of gin or vodka, because the lighter, softer flavor means you can drink it without mixers, or without freezing the vodka for people who like to drink it straight."

Marketing in restaurants

High-end, premium liquors and the new "light" spirits both provide operators with marketing opportunities. Because the public is so unfamiliar



The "boutique" trend will blossom for the liquor industry, just as it did for wines and beers.

Miller's "Think When You Drink," and Coors' "Please Drink Safely." These sober messages preach moderation and responsibility. "We're all increasingly aware of the need for public education," says James Sanders, president of the Beer Institute. "Talking about alcohol abuse and instructing people does pay off."

But beer companies are doing more than changing their ads. They are sponsoring bartender-training programs to teach servers how to identify and deal with patrons who have had too much to drink, and they are contributing to education and prevention programs.

The spirits industry has also launched educational initiatives. Last November Joseph E. Seagram & Sons, Inc., introduced a national educational program for parents and preteens called "Talking About Alcohol." The program, which has been endorsed by several national educational and medical groups, addresses the alcohol-abuse problem. Research has shown that many children start experimenting with alcohol in their preteen years, but families often don't know how to start a meaningful conversation about responsible alcohol use.

with them, the lighter liquors especially call for aggressive promotion. But the interest seems to be there.

In a nationwide in-home product test, 67 percent of those who heard Mount Royal Light described indicated a positive interest in purchasing it, which gives a good indication of the potential of light alcohols.

According to Gary Smith, manager of Tanglewoods (90 seats) in Waterbury, Vermont, customers "are eager to give it a try" when servers describe Vermont Distillers' light products, and their reaction to the spirits has been positive.

Restaurants interested in positioning themselves as responsible vendors could easily integrate these lower-alcohol products into an operation-wide alcohol-awareness program.

Light alcohols can also be marketed in restaurants as part of a healthy cuisine promotion. To complement a light meal, servers can suggest a low-calorie cocktail.

If premium microdistillery brands begin to proliferate over the next few years, as Tyrol of Vermont Distillers believes they will, restaurateurs may also find interesting liquor-and-food-pairing promotional possibilities. For example, customers can be introduced to a regional product through a pairing with foods from the native region, such as Scottish cuisine with an imported single-malt Scotch.

Finally, a creative cook could use these unique regional liquors to create a one-of-a-kind signature dish. For example, Vermont Distillers' Tamarack Liqueur has found its way into several sauces, a best-selling dessert "Tamarack Mousse," and a hot spiced cider.

The Seagram program provides advice in an interactive, question-and-answer format. The literature also offers guidelines to parents about communicating the differences between alcohol and illicit drugs. As the Seagram literature explains: "For young people, drinking represents a way of being adult and grown up, belonging to the adult world. Drug use represents a way of standing against or apart from the adult world and with a subculture the adult world warns and works against. The use of alcohol and the use of drugs have largely different meanings for kids."

How operators can respond

How should the individual foodservice operator respond to increased consumer concern about drinking? For starters, all restaurants should endorse some type of alcohol-awareness program. (See sidebar for information about the National Restaurant Association's program). This should include a responsible alcoholic-beverage policy accompanied by server training and customer education about such concerns as sulfites in wines. At the same time, they can compensate for declining alcohol sales by offering alternative beverages and adding food to the bar.

□ *More high-quality choices.* When people do eat and drink today, they are looking for the best available—premium brands, super-premium wines by the glass and the highest quality of fresh food.

Triffon of the London Chop House reports that customers are ordering distilled spirits by brand names. She has also increased her bar wine list to 18, including three super-premium wines that cost up to $10 per glass. Those wines account for the restaurant's highest by-the-glass sales. "People are consuming less, but they are spoiled to death," she laughs. "Their tastes are more refined and they're not as easily pleased."

This applies to beers and bottled waters as well. "People used to be satisfied with one brand. Now they want a selection with gas, without gas, from Switzerland, Canada, Michigan. Again, it allows them to share in the fellowship of the table without having to resort to a glass of water."

□ *Promoting low-alcohol and nonalcohol drinks.* Low-alcohol beverages and alcohol-free beers and wines are beginning to win converts, especially at lunch. But mocktail sales often lose out to soft drinks, unless an operator promotes them aggressively.

Producers are offering more options, too, by creating new products. Adding to a list of such "buzzless" beers as Moussy, Clausthaler, Kaliber and Warteck, Miller has recently introduced its nonalcoholic beer, Sharp's. "The name clearly communicates the idea of staying in control," says a company spokesman.

And Ariel Vineyards is one of several producers in the wine category, tapping into the same trend. Its latest offering is a chardonnay.

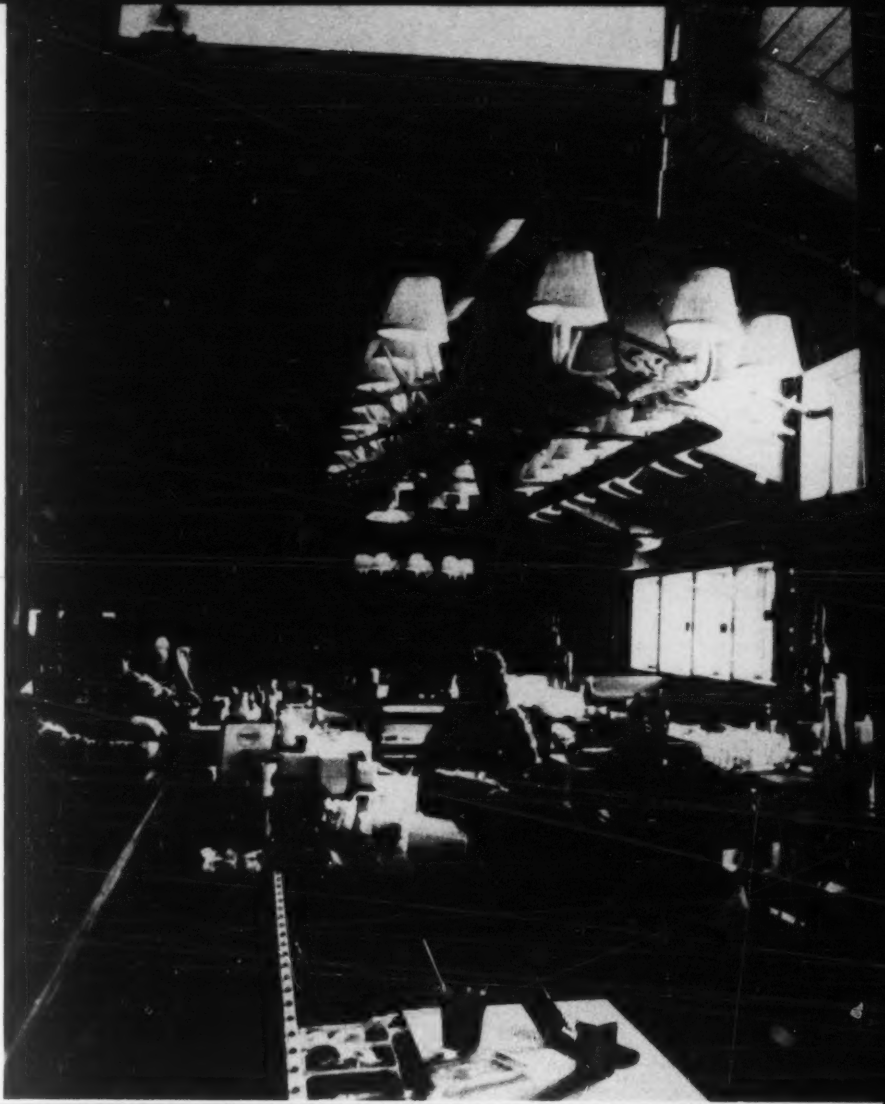
How are these beverages faring in restaurants? They are starting to catch on. Several operators who offer nonalcoholic beers say they represent about 5 percent of beer sales. The percentages are similar for sales of nonalcoholic wines.

Triffon notes that dealcoholized wine sales began with prom kids, but that these beverages are now being ordered by people who simply aren't drinking at the moment, are watching their health or are on medication. She is quick to add, "Just as a veggie-burger doesn't pass as the real thing, nonalcoholic wines aren't the same as vintage wines. But there are some that are very good."

□ *Working to stop the temperance movement at moderation.* Alex Sebastian, proprietor of The Wooden Angel in Beaver, Pennsylvania, is one operator who is not ready to accept the conservative trend as a fait accompli; in fact, he is worried about the possible ban on alcohol use and believes that consumer education can make a difference. He devotes about one week of every month to speaking to various groups about what he perceives to be threats to industry and individual freedom.

"We have to get together and fight, or somebody who doesn't know anything about running a restaurant will make decisions that could affect us all. I could be forbidden to enjoy the beverage of my religious heritage, because it is being abused by somebody else," he says.

Although Evan Goldstein of Square One is more optimistic than Sebastian—because he is confident that the alcohol lobby is strong enough to fight prohibition efforts—he, too, believes restaurateurs should be more proactive, fighting against such restrictive laws as excise taxes and third-party responsibility. "We can't take a reactive stance (to this temperance movement). We have to be proactive." ❑



EATING AT T

A bar can be more than a purveyor of alcoholic beverages.
form of seating and a convenience for customers

As the public's attitude toward alcohol consumption has changed, so has its perception of what a bar is. No longer simply a wooded, dark and smoky bastion of hearty male drinkers, it is becoming a brighter, more contemporary spot for socializing with friends of both sexes—and that includes breaking bread as well as clinking glasses. In fact, more and more restaurateurs are discovering that they can generate profits and expand their clientele base by serving meals at the bar. Often these benefits can be reaped with minimal changes in layout and design. But operators interested in lining their bars with hungry customers have to let patrons know the service is available, and then make eating at the bar convenient and comfortable.

Offering comfort and convenience

Bill Aumiller, of the Chicago architecture and design firm Aumiller and Youngquist, sees a twofold reason for the growth of bar eating. First, says Aumiller, is the attractiveness of the bar as an eating area for singles. Thanks to increased business travel and the growth of dining out in general, solo diners have become a significant restaurant market. But for many individuals, eating alone at a two-top or four-top in a crowded restaurant is an uncomfortable experience.

A lot of these lone customers, says Aumiller, relish the opportunity to sit at a bar stool eating their meal less conspicuously. Interestingly, Aumiller credits a European and Asian influence for making bar eating increasingly acceptable for solo diners. A growing American familiarity with sushi bars and European cafes and bistros has altered the dining public's idea of a bar. "More and more people are comfortable eating at a bar now," says Aumiller, "because bars today are seen as more than a place to drink."

The second reason cited by Aumiller for the growth of bar eating is the convenience the option offers. Especially during busy meal periods, restaurateurs can use the bar to offer faster seating and service to individuals on tight schedules.

In fact, bar seats do have an edge in convenience and efficiency. Generally, there is a shorter wait for a bar seat because every bar seat can be filled, as opposed to the unavoidable empty seats at tables that are not fully occupied. Further, the close proximity of bar customers to one another makes them easy to serve efficiently, especially if the bartender is taking orders for food as well as drinks.

All three restaurants at the Nordstrom department store in downtown San Francisco offer bar eating for the customers' convenience. According to Robert Tew, food and beverage manager, "The bar eating option is an extension of the high level of service at Nordstrom."

The bar menus at the three Nordstrom restaurants are identical to the table menus. Many other restaurants, however, experience success with limited bar menus that concentrate on items that can be quickly prepared and eaten, such as salads, sandwiches, soups and burgers. In fact, the practice of grazing, or eating several small, appetizer-sized dishes instead of one large entree, has also contributed to the the successful coupling of food and drink at bars. Graz-

At Timbers Charhouse in Highland Park, Illinois, bar eating represents 5 percent of the restaurant's meal counts. A cooking area behind the bar makes serving food fast and efficient.

E BAR

t can also be an alternative
n a tight schedule.

ing was and is a natural for bars, although the ubiquitous jar of pickled eggs from days gone by has given way to more sophisticated selections of foods to pair with beer, wine, cocktails or sparkling waters.

At Timbers Charhouse in Highland Park, Illinois, using a limited bar menu to cater to time-conscious customers actually spelled a reprieve for the bar. Four to six months after the restaurant opened the bar area, the bar still did not have the drinking crowd originally expected. "We were going to take down the bar and add more tables. Instead, we just changed the concept by adding more appetizers and quick-preparation food items for the bar patrons. We found a market for convenience," says Jim Errant, owner of Errant Enterprises, which operates the restaurant.

Today bar eating accounts for 3 to 5 percent of the restaurant's meal counts. Many regulars from surrounding offices visit the restaurant bar, which sports a four-foot electric grill upon which food is nearly always sizzling. In addition, Timbers has an executive lunch club that awards price discounts for repeat visits.

The bar at Timbers is a popular dinner dining spot as well. Diners often order grilled appetizers from the bar while waiting for their tables. Others, forgoing their chances for a table, will decide to eat their entire meal at the bar.

Countering the public's unfamiliarity

Even though the image of the American bar is gradually changing, many bar customers often are unaware that at certain restaurants food can be ordered at the bar. "I'm continually amazed at how many people step up to our bar and ask, 'Can I order some food right here?' " says Peter Muckerman, manager of Hard Times Cafe in Alexandria, Virginia. The attitude of these customers is even more surprising, says Muckerman, because all the food in the 120-seat chili parlor is served from behind the bar, in full view of bar patrons.

Once an operator gets people eating at a bar, however, the practice often feeds itself. At Timbers Charhouse, for example, Errant notes that customers often look over at those eating at the bar and say, "That looks good; I didn't even know you could eat that at the bar." Muckerman of Hard Times Cafe agrees, adding that discussions about the merits of certain dishes often lead to a loose and friendly bar atmosphere.

There are several ways for operators to counter the public's unfamiliarity with bar eating. Simple table tents and strategically placed menus, for example, can serve as appetite-whetting reading material for bar customers. Place settings—with silverware—pre-placed on the bar also can let individuals see that the bar is a spot for eating as well as drinking. Liberally positioned condiments and menus can achieve a similar effect.

At Hard Times Cafe, bar workers are instructed to ask bar customers who are on the waiting list for tables if they would care instead to dine immediately at the bar. The increased bar-dining traffic cuts down on waiting time for all customers and also means higher average checks, and correspondingly higher tips, for the cafe's bar workers.

Hard Times Cafe, says manager Muckerman, also benefits from its simple display cooking, which creates a tempting atmosphere of excitement. "Even if you're waiting for a table, when you see all that food going by, it's hard to resist ordering at least an appetizer at the bar. And, of course, lots of customers say, 'We eat only at the bar because that's where the action is,' " laughs Muckerman.

A similar example of display cooking wedded to bar eating is found at Nordstrom's City Cafe. Shoppers can take any of 12 seats at an exhibition bar where the Cafe chefs turn fresh ingredients into tempting meals right before the customers' eyes—and noses. Three-quarters of the counter's length is taken up by the exhibition kitchen, with the remaining space allocated to a fullservice bar. By seeing and smelling the food being prepared, bar patrons cannot help but think of eating. In addition, customers become actors in a theater of sorts by asking the chefs questions and discussing the dishes being created. The interaction is further personalized when the chefs hand the finished dishes directly to the bar customers.

Operators also can promote eating at their bar through thoroughly conceived bar design. Libby McClintock, a New York City restaurant designer, advocates using back-bar or center-island displays of food to "inspire eating." One restaurant that has successfully used food displays to inspire eating is Cafe Babareeba! in Chicago, a member of the Lettuce-Entertain-You family of restaurants. Based upon a Spanish tapas bar, this eatery offers customers three bars with more than 50 seats from which to choose. Whole hams and strands of garlic and peppers hang above the bar, bringing food quickly to mind. The cultural weight of the Spanish tapas

SERVING FOOD AT THE BAR

QUESADILLAS VERACRUZ

Serves 4

Ingredients:
2 jumbo flour tortillas
2 cups grated Monterey Jack cheese
1 green onion, sliced thin
½ cup guacamole
1 jalapeno pepper, sliced thin
2 black olives, sliced thin
Oil or butter for cooking

Method:
Heat large skillet or griddle with small amount of oil. Place 1 tortilla in skillet and sprinkle with 1 cup of Monterey Jack cheese and one-half of the sliced green onion. Cook until cheese melts and tortilla lightly browns. Fold in half and remove from pan. Repeat with other tortilla. Cut tortillas into wedges and serve with guacamole. Garnish with jalapeno and black olive slices.

—Sid Levitz, Timbers Charhouse, Highland Park, Illinois

BRUSCHETTA

Serves 4

Ingredients:
4 slices sourdough bread, at least 1-inch thick
6–8 ripe tomatoes
2 ozs. fresh basil
Salt and pepper to taste
8 garlic cloves
8 ozs. extra-virgin olive oil

Method:
Peel, seed and coarsley chop tomatoes. Place them in a bowl, season with salt and pepper, pour on olive oil, basil (thinly sliced except for 4 leaves) and 6 of the garlic cloves (peeled and halved). Marinate at room temperature for at least one hour.

Grill, broil or toast the slices of bread until well browned. Rub slices with remaining 2 garlic cloves (sliced in half). Spoon a generous amount of tomato mixture on each slice and decorate with a reserved basil leaf.

—Michael Romano, Union Square Cafe, New York City

tradition, where food and drink go hand in hand, makes its presence felt, and food holds a healthy 30 percent cut of bar sales.

Serving the bar

Before steps are taken to increase food sales at the bar, an operator must determine whether the kitchen and restaurant's layout can handle the added production. "The layout," says designer Bill Aumiller, "must lend itself to getting the food to the bar quickly and efficiently." A crowded bar two to three persons deep, for example, will not allow access to servers and most likely will not allow diners to eat in comfort.

In general, there are three methods of servicing bar customers: having direct access from the kitchen to the bar, transporting the food from the kitchen to the bar and preparing the food behind the bar. Direct access between the kitchen and the bar can take the form of an extra door or a pass-through. In the case of the pass-through, food destined for bar customers is simply handed to the bartender or server, who then brings it to the patrons. This arrangement, however, is often impossible to incorporate, given the location of the kitchen in existing restaurants or the floor plan of establishments where the kitchen and the bar are at opposite ends of the restaurant.

More common are food runners, who are used to bring the food from the kitchen to the bar. Sometimes the waitstaff treat the bar as a large table, taking orders and delivering food. But with the advent of electronic cash registers, labor can be saved by asking the bartender to double as server. The bartender places the bar order via the register, which sends it electronically to the kitchen. Once prepared, the food is carried by a runner from the kitchen to the bartender, who then serves the customer. Although the bartender's workload is increased, so, too, are bar tips.

Given the logistics of installing and operating food-preparation equipment, cooking food behind the bar is the most complex way of serving bar customers. Grills like the one used at Timbers require ventilation hoods and exhaust fans, which can be difficult to incorporate into the bar area. At Timbers, one side of the square bar is up against a wall where the grill and ventilation hood are located. Local laws may include other regulations and should be thoroughly investigated before food-preparation equipment is added to the bar. Other less bulky equipment, such as microwave ovens, small pizza ovens and mini-refrigerators, may be easier to add to the bar area.

Making bar customers comfortable

A comfortable seat is of the utmost importance to a dining patron, and this is no different at the bar. A backless, hard stool can render even the most delicious meal unbearable. That is why bar seats should be well padded, have supportive backs and be of a comfortable height. In short, they should be chosen as one would choose chairs for a table in the main dining room. Aumiller recommends swivel seats, to allow customers to see the whole bar.

Bar seats should be specifically matched to the bar to ensure that the diner can eat comfortably, with enough knee space when facing the counter. A bar rail is also recommended, to allow patrons to rest their feet. But beware of bar stools that have their own footrests as they may render the bar rail an obstruction rather than a comfort. Another possible encumbrance to watch out for is the bar lip, the raised edge on the bar designed to keep glasses from falling off; if too high, it can make using cutlery unwieldy.

Finally, pay attention to lighting. Customers should be able to see what they are eating, and this consideration may override the initial impulse to dim bar lights for a subdued atmosphere. A great many of these requirements are common-sense ones that reflect the added needs of a bar that serves food. Meeting these needs is the key to creating an environment that encourages eating and makes the customer happy for having done so.

Looking ahead

As to the future role bar eating will play in American dining habits, Aumiller predicts that it "will go for the cycle but will not disappear on the cycle's downside; instead, it will become more common as American foodservice continues to assimilate European and Asian practices." Others point out that eating at the bar is also very much in keeping with the trend toward a casual dining experience.

—Larry Greenberg, freelance writer, New York City

RIDING THE CREST WITH BOTTLED WATERS

Although soft drinks continue to represent the largest share of nonalcoholic beverages, bottled-water consumption is skyrocketing.

by Dorothy Dee

With an annual growth rate of 12 percent, bottled water continues to be the fastest-moving segment of the beverage category, generating a total of $2 billion in yearly sales.

While bottled water is still a drop in the bucket compared to the $21.3 billion soft-drink market, Americans are drinking more bottled water in the home, in the office and at restaurants. Per-capita consumption is at an all-time high of 6.4 gallons.

One out of every 15 households currently consumes bottled water as its primary drinking source; and in California, the state with the heaviest bottled-water consumption (half the bottled water consumed in this country occurs in California), household use runs as high as one in three.

Bottled water is becoming a year-round beverage of choice. Consumption is growing steadier, and a large Manhattan bottled-water distributor reports that winter-sales slumps are now only 10 to 20 percent behind summer peaks, whereas five years ago business might have been off by as much as 30 to 40 percent.

The popularity of bottled water is not unnoticed. Large European firms like Perrier and Anjou International now own U.S. regional companies, and soft-drink and liquor manufacturers like Pepsi and Seagram are venturing into the market. The Perrier Group is now the parent company for Arrowhead, Calistoga, Great Bear, Ice Mountain, Oasis, Ozarka, Poland Spring and Zephyrhills. Anjou International is the French parent of Hinckley & Schmitt, Inc., one of the nation's largest bottled-water producers. In the Denver market, the Pepsi-Cola Company is test marketing H_2Oh!, a sparkling water that comes plain or in three flavors, and Seagram recently bought out the SoHo beverage line, which includes a group of sparkling waters.

A number of trends are fueling the bottled-water market. Most important are consumers' concerns about the safety of municipal water supplies and their interest in health and nutrition.

The American taste

When it comes to year-round taste, Americans continue to favor nonsparkling water over sparkling, and domestic brands over foreign imports. According to the International Bottled Water Association, 90 percent of the U.S. bottled-water market is nonsparkling, and U.S. consumption of domestic still water reached more than 1.4 billion gallons in 1988, com-

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Dorothy Dee is a freelance writer in Bethesda, Maryland.

pared to 160 million gallons of domestic sparkling water and just 50 million gallons of imported waters.

In restaurants, the tables are often turned. Traditionally, most restaurant patrons favor sparkling waters over still. Sparkling waters serve as alternatives to alcoholic beverages, as pacers in between alcoholic drinks and as mixers with wine or ingredients in alcoholic and nonalcoholic concoctions. Foreign imports like Perrier and San Pellegrino are staple items on menus, and owners of fine-dining establishments often see a 200 percent profit on a small bottle of bottled water.

Restaurants and hotels offer bottled water both for purchase and as a value-added amenity. Customers of The Palm Restaurants, for example, enjoy a complimentary bottle of Perrier at their table during lunch or dinner—either the natural or one of the Perrier-with-a-Twist flavors.

Ethnic and regional restaurants often find that bottled water is a natural accompaniment to the restaurant's menu. The Austin Grill, a 75-seat restaurant on the outskirts of Georgetown in Washington DC, which tries to be "as close to Austin as you can get," features Artesia's sparkling mineral water as its only bottled water.

Restaurants seeking to add still or sparkling bottled waters to their menus have a wide field to choose from. Currently 475 bottling plants in the United States produce more than 600 brand labels, and new international waters crop up each month. At least 75 brands of imported waters are on the market. Sparkling waters are generally used as alternatives to soft drinks and alcoholic beverages or as a refreshment beverage. Bottled drinking water is used as an alternative to tap water. There are spring, mineral and well waters. Some waters are flavored with the essence or extracts of fruit, and many are now combined with juice. There is even truffle water—made from real truffles.

Flavored and juice-added waters

According to Arbitron/SAMI, the New York-based market research firm, estimated sales for carbonated water/juice-added products reached $96 million in November 1989, a 40.9 percent increase over 1988. At the same time, sales for carbonated sparkling flavored waters reached $42.5 million, a 4.2 percent increase over 1988.

Flavored waters first hit the market about eight years ago. They married the bottler's primary sparkling spring or mineral water products with a flavoring in the form of a fruit essence or extract, which offered a hint of natural fruit flavoring. A number of domestic bottlers and also Perrier now offer U.S. consumers flavored waters, which have become a popular adult beverage.

Flavored waters paved the way for the juice-added waters that surfaced 18 months ago. Juice-added waters (which some consider a soft drink) vary in sweetness and strength with the amount of juice contained in the product. Waters flavored with an extract or essence are low in calories, while those combined with juice are sweeter and more caloric.

Dr. Georg Moller-Roche, president of Mendocino Beverage Company, which markets five flavors of Mendocino Natural Sparkling Mineral Water and a specialty item, characterizes the difference between the products as "a lot like the difference between a sweet and a dry wine."

While most restaurants at upscale establishments say their customers prefer unflavored sparkling waters, a number of new, exciting flavors of sparkling waters—from lemon/kiwi to strawberry—may prove hits with theme, family and fast food restaurants.

While restaurateurs may find that waters flavored with essence or extract appeal to health and calorie-conscious adults, those sweetened with large quantities of juice may prove a natural favorite with children. "Children like the slightly sweet flavor, and parents know that children are not drinking any chemicals or preservatives and are getting their minerals and vitamins in a healthy fashion," says Mendocino's Moller-Roche.

Packaging

Some bottlers are wooing the restaurant trade with sleeker packages and sizes more appropriate for restaurant use. Crystal Geyser, which offers sparkling mineral water, a seltzer and juice squeeze, has come out with a 7-ounce blue-tinted proprietary glass bottle for on-premises sales. Director of Marketing Kevin McClanahan thinks the elegance and size of the new package will appeal to restaurants. "We think it is a much more elegant presentation than most mineral waters are currently making, and the smaller 7-ounce bottle will offer the on-premises operator an opportunity to have two register sales."

Bottlers of still waters like Hinckley & Schmitt are also experimenting with smaller sizes. Perrier recently placed its sparkling mineral water and Perrier-with-a-Twist line in cans, which it hopes proves popular with airlines, and with hotels for poolside use.

The water menu

Someday the water list may take its place alongside the wine list in upscale establishments. Most restaurants, if they offer a bottled water, carry a sparkling water—usually without flavor—and one still water. But Khosrow Foroughi, executive vice president of Mootch and Muck, an independent store-to-door distributor of bottled water in Maspeth, New York, hopes this situation will change. Foroughi is developing a menu of international bottled waters, which he hopes to make available to restaurants this spring. "We are developing a water menu to go along with the wine menu where we offer international bottled water—sparkling and nonsparkling—so the customer could ask for a water from Germany, or a quality bottled water from Italy, Israel, Uruguay or Japan."

And Doubletree and Compri Hotels in Phoenix, Arizona, which operates 60 hotels across the United States, is planning to roll out a beverage menu called "Healthy Alternatives" this month, which features an array of thirst-quenching waters along with fruit juices, nonalcoholic beer and wine, and some yogurt drinks. Marty Miles, corporate director of food and beverage, says the menu, which is featured in all hotels, aims to combat the downward trend in alcohol sales and to appeal to the health-conscious consumer of today. ❑

Greg Smith

AT A BEER DINNER

Beer has long been overshadowed as a dinner beverage by wine, but drinking the right lager, ale, porter or stout can improve almost any food. "A hamburger with a regular lager takes little imagination, but a spicy ale served with jambalaya or barbecued ribs can really spice up a meal," says beer writer Jack Erickson. Here is how one restaurant took the advice to heart.

by Andrew McLauchlin

Beer, not wine, was on tap for taste testing at a recent dinner at Fitch, Fox & Brown Restaurant and Bar in Washington DC. The restaurant welcomed Jack Erickson, author and publisher of *Learning to Cook with Beer* and *Great Cooking with Beer*, to host a dinner that paired beer and fine food in a special dining event.

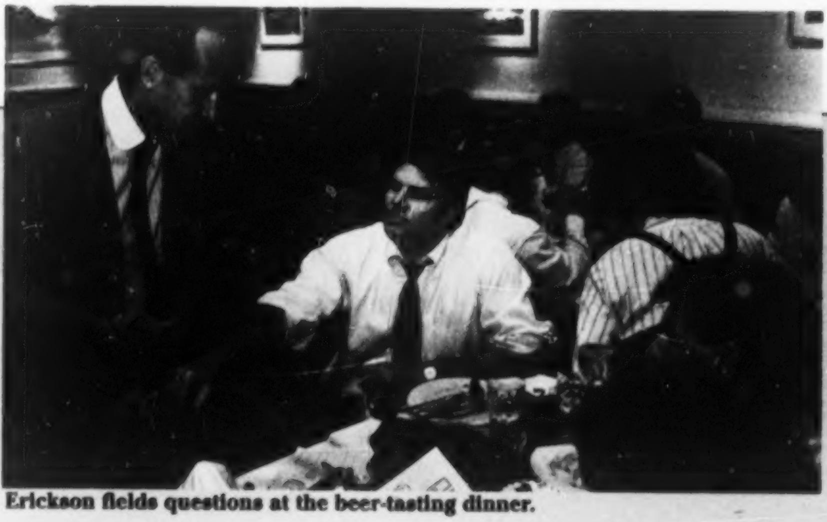
To increase people's awareness about different types of beer and how they can help liven up a meal, Erickson and Fitch, Fox & Brown gathered 35 guests, including distributors, foodservice managers and patrons, in a private room of the restaurant to sample a variety of the world's beers during a casual three-course meal.

Before leading the dinner guests on a "blind" tasting tour that featured 12 beers (four per dinner course—approximately two ounces per brand per guest), Erickson introduced everyone to the nuances of beer tasting. He gave each person an informal guide that outlined six different categories—color, head retention, hops aroma/bouquet, initial taste, mouth feel and lasting taste. Erickson also drew attention to subtle details, explaining the advantages of starting a beer-tasting session with lighter lagers, progressing to amber ales and ending with black stouts. "If you tasted the heavier beers first, they would just overpower the lighter ones," he said.

Let the eating, and the drinking, begin

When Erickson called for the first course and the first round of beers, the waitstaff distributed appetizer platters stuffed with smoked chicken, spicy sausage, three types of cheeses, crackers, honeydew melon and strawberries; then, in keeping with Erickson's light-to-dark principle, they served each guest a pilsener lager as the first beer.

Andrew McLauchlin is a National Restaurant Association staff contributor.



Erickson fields questions at the beer-tasting dinner.

Planning a beer dinner

There are no hard and formal rules about matching beer with food as there are with wine. The only rule to follow is to choose what you prefer and what you think your guests will like.

When selecting beers for your dinner, you might want to consider the following basic foods and beer styles:

Seafood—pale pilsener, amber lager or spicy ale

Shellfish—porter, stout

Poultry—amber lager, ale

Pork, veal, beef—amber lager, brown ale

Game meat—Scottish ale, porter, dry stout

Roasts and stews—amber lager, porter, stout

Cheese dishes and desserts—pale ale, porter, sweet stout, lambics

Beer to cut, complement or contrast food

Beer connoisseur, Dane Wells has developed a three "C" system of matching beers with food. Dane, along with his wife Joan, is proprietor of the Queen Victoria Inn in Cape May, New Jersey, and a certified beer judge. When cooking or serving beer with food, Dane uses the three "C" options—selecting beers to cut, complement and contrast the food.

For example, Dane will "cut" the flavor of a rich, creamy sauce with a beer that is tart or slightly bitter (a Berlinerweisse or pilsener with lobster cream sauce). Dane's complementary beer would be an assertive beer with spicy food (smoked fowl or fish with a rachbier). Dane's contrast beer is a spicy or robust style with bland food (oyster with stout).

Finding the right marriage of beer and food

A general guideline to follow is to start your beer dinner with lighter-colored beers and proceed to darker beers. Before dinner, a wonderful aperitif would be a lambic cherry or raspberry beer, or a wheat beer with a lemon in summer.

A salad or an appetizer course would feature a pilsener, amber lager, or pale ale. All three beers are light and refreshing, but not overwhelming.

An entree course with dark meat—ham, pork, beef—would be complemented by a more robust, assertive and darker beer—brown or Scottish ale, porter, stout.

Dessert offers the widest choice. Cheese and fruit or even cakes and

Suggestions for a beer-tasting dinner

1. Choose eight to 12 beers from the range of styles: lagers, ales, porters and stout, to offer customers diversity. Serve beers from light in body, color and texture to heavier, darker and more complex. (Example: Proceed from pale pilsener, to amber lagers, to ales, porters, lambic, and stout.)
2. Work with a distributor to choose beers customers may not be familiar with, i.e., beers not heavily advertised and promoted.
3. If possible, do the tasting "blind," so you are educating customers and not just serving them beers they know.
4. Serve beer in its own clean glass.
5. Have bread or unsalted crackers and a pitcher of cold water on the table. The bread or crackers will cleanse the palate between beers; the water slackens the thirst and refreshes the mouth.

Hesitant in perhaps the first attempt at consciously judging beer, each guest, at Erickson's direction, held the beer up to light to check its color: dull yellow. Next Erickson pointed to the beer's head: very weak, lacking height, durability, bubbles or "legs." Its bouquet? Almost nonexistent. Initial taste? Bland. Mouth feel? Watery. Aftertaste? Gone. The beer further disappointed the judges by extinguishing the heat of the smoked chicken, taking the spice out of the sausage and washing over the mild cheeses.

Was this one of the best beers the world had to offer? "Perhaps not, but it's a good point of comparison," said Erickson. The dinner guests discovered at the end of the dinner (when all beer names were revealed) that they had unceremoniously rejected Budweiser, the American staple beer produced by Anheuser-Busch in St. Louis, Missouri. One guest, however, came to Budweiser's rescue, claiming it was good with fruit.

With nowhere to go but up from Budweiser's flat showing, Erickson led the novice beer critics on to the next beer. The cloudy amber lager grabbed everyone's attention with a strong taste that had the gusto to tackle spicy sausage and chicken, and the flavor to liven up mild cheeses. Its head and aroma also pleased the critics, making Olde Heurich amber lager one of the favorite beers of the night. Gary Heurich, president of The Olde Heurich Brewing Co., in Washington DC, participated in the beer dinner and was happy, but not surprised, with his beer's impressive showing.

Guests also complimented the two other appetizer beers: Huntsman Royal Oak pale ale (Dorchester, England) for its mellow aroma and August Schell weiss beer (New Ulm, Minnesota) for its wheat beer taste.

Tales from the keg

Aside from instructing the guests about beer tasting, Erickson provided a running monologue of stories and cookies go wonderfully with stout, bock, lambic or Christmas styles. The challenge in matching beers with desserts is discovering which particular beer styles, such as stout or lambic, best complement flavorful desserts—ginger cookies or chocolate cake, for example.

The adventure in serving specialty beers is learning about the beers and trying them with your favorite foods. The joy is discovering the marriage of those beers and foods that suits you—and your guests.

6. Take beers out of the refrigerator about 15 minutes before tasting, so they can be cool but not cold. Don't serve beers ice-cold or in frosted glasses.

7. Pour about two ounces per glass and serve quickly.

8. Remove empty glasses from table, but let glasses with beer remain. Patrons like to compare color of beers during tasting.

9. If possible, distribute a rating sheet for patrons to evaluate beers and write comments. The sheet also makes for a handy promotion to advertise special events and future beer tastings.

10. Invite someone knowledgeable about specialty beers to serve as moderator or host. Patrons like to have someone explain the event and answer questions about beers and foods.

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Beer-tasting score sheet

1-10 points: 1 point is the lowest score

What to look for in a beer	**Desirable features**	**Undesirable features**
Color:	golden, amber, ruby, chocolately	cloudy, washed-out, hazy
Head retention:	height, durability, bubbles, "legs"	flat, weak
Hop aroma, bouquet:	flowery, fruity, nutty, hoppy	nonexistent
Initial taste:	bitter, malty, smoky, fruity	gassy, bland, weak
Mouth feel:	full bodied, round	watery, thin
Lasting taste:	complex, long finish	short finish

Outstanding - 54 to 60 points; Highly recommended - 48 to 53; Average - 36 to 47; Below average - 35 points or less

Beer No.	Name	Rating Categories						Total Score
		1	2	3	4	5	6	

facts that he had learned through his world travels and private and public samplings.

Erickson also passed around examples of brewing ingredients, such as yeast, barley and hops, to give the dinner guests a better feel for the origins of the beverages they were drinking.

Beer with dinner

With the appetizer course and the first four beer samples completed, Erickson called for the main dish: a tenderloin of beef with a green-peppercorn sauce, zucchini and yellow squash, baby carrots, new potatoes and pumpernickel bread.

Erickson pointed out that "meat, as a relatively heavy food, goes well with darker, more complex beers." The guests rated an amber bitter ale from London, England, high for its color, head and hop aroma. Although its initial bitter taste did not sit well with some tasters, Young's special London ale made up for it with a bold mouth feel and an aftertaste that complemented the meat.

Also accompanying the main course was an impressive dark porter beer. Although the beer had no aftertaste, the tasters praised D.G. Yuengling porter from Pottsville, Pennsylvania, for its strong head, bouquet and its full-bodied compatibility with steak.

As the main course wound down, many participants started to lose their inhibitions about describing their favorite beers and the foods that went well with them. In discussing the dinner beers, guests remembered the lasting taste of Sierra Nevada pale ale (Chico, California) and Samuel Smith taddy porter (Yorkshire, England).

Beer with dessert?

The main dish finished, the guests eagerly proceeded to dessert, not knowing what to expect from four even darker beers in this often untried beer/food combination.

"I'm always particularly interested to hear people's reactions to beers with dessert. Not many people have ever considered the combination before, but invariably it gains more converts than anything else," said Erickson.

With the final sequence of beers, the waitstaff served several platters containing cantaloupe, honeydew, strawberries, pineapple and pieces of mocha butter crunch chocolate pie (a specialty of the house).

Scoring extremely high for its deep brown color and durable head, Aass bock beer from Norway drew raves for a strong taste that made it an enjoyable dessert in itself. Giving it many perfect scores, a majority of judges voted Aass bock the night's best beer.

Other beers also appealed to the dinner guests as interesting complements to dessert food. The creamy head and thick taste of Sheaf stout from Australia mixed smoothly with the pie for a rich chocolate taste. Mackeson triple stout from England also challenged the chocolate pie with a heavy aftertaste. Finally, an unusual cherry beer, Liefmans kriekbier from Belgium, pleasantly surprised many tasters by topping off the dessert fruits and the chocolate pie with a citric cherry flavor.

"A fun thing to do"

After the beer dinner, Gordon Schaaf, owner of Fitch, Fox & Brown, called the evening "a success and a fun thing to do."

THE HEAD OF

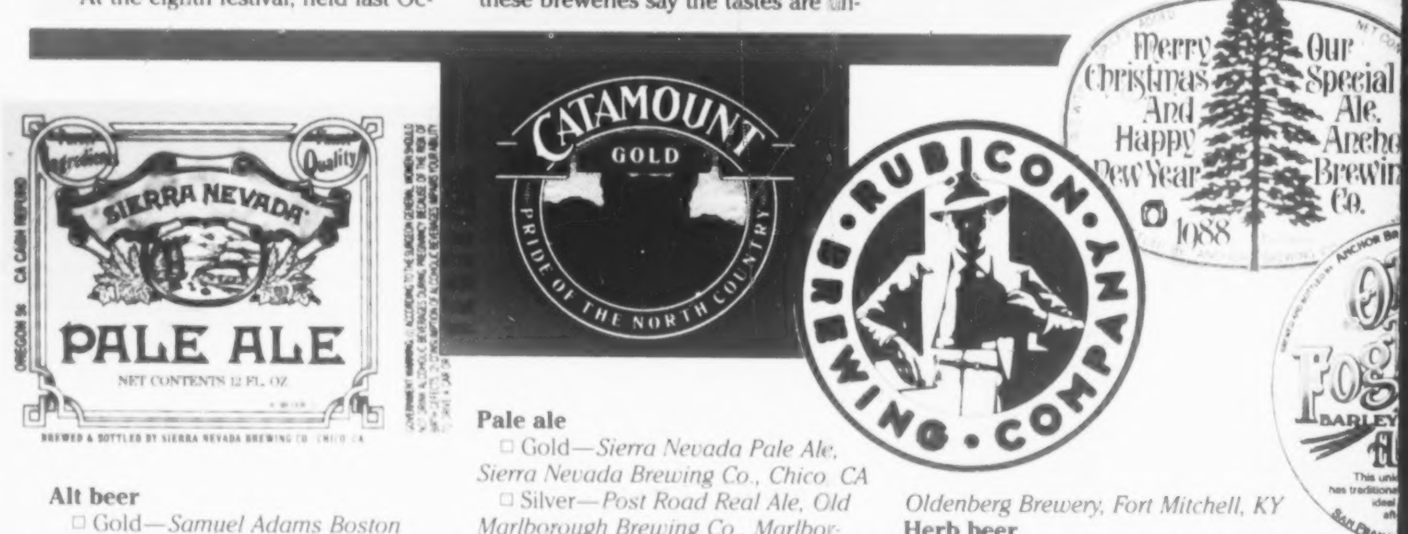
WINNERS OF THE AME

Although beers from microbreweries can usually be found for sale only close to the brewery, there is one place where amateur beer lovers and connoisseurs alike can sample much of America's best brew—at the Great American Beer Festival in Denver.

Each year, the Association of Brewers sponsors this event. "The atmosphere is halfway between a wine tasting and Oktoberfest," comments festival director Daniel Bradford.

At the eighth festival, held last October, 6,000 attendees sampled 302 beers from more than 100 breweries—a dramatic increase from the 40 beers tasted by 700 beer lovers only eight years earlier. This popularity reflects what Bradford calls the American beer revolution. "In 1980, there were only 42 breweries," explains Bradford. "Today, there are almost 200 breweries—most of them microbreweries." Fans of beer from these breweries say the tastes are unusual and fresher—because the beer isn't stored and shipped over long distances.

A panel of 13 judges, consisting of brewers and writers active in the industry, made their own determinations. They judged the beers in a blind taste test on two characteristics: accuracy of style (the brewer's adherence to typical characteristics—is the



Sierra Nevada
Pale Ale
Net Contents 12 Fl. Oz
Brewed & Bottled by Sierra Nevada Brewing Co. Chico CA
Catamount
Gold
Pride of the North Country
Rubicon Brewing Company
Merry Christmas And Happy New Year
Our Special Ale. Anchor Brewing Co.
1988
Old Foghorn
Barley

Alt beer
☐ Gold—*Samuel Adams Boston Stock Ale, Boston Beer Co., Boston*
☐ Silver—*Sun Valley White Cloud Ale, Sun Valley Brewing Co., Sun Valley, ID*

Cream ale
☐ Gold—*Little Kings Cream Ale, Hudepohl-Schoenling Brewing Co., Cincinnati, OH*
☐ Silver—*Sun Valley Cream Ale, Sun Valley Brewing Co., Sun Valley, ID*

Wheat beer
☐ Gold—*Stoudt's Weizen, Stoudt Brewery, Adamstown, PA*
☐ Silver—*Chicago Vice Weizen, Goose Island Brewing Co., Chicago*
☐ Bronze—*Marin Weiss, Marin Brewing Co., Larkspur, CA*

Brown ale
☐ Gold—*Full Sail Brown Ale, Hood River Brewing Co., Hood River, OR*
☐ Silver—*Old Brown Dog Ale, Northampton Brewery, Northampton, MA*

Pale ale
☐ Gold—*Sierra Nevada Pale Ale, Sierra Nevada Brewing Co., Chico, CA*
☐ Silver—*Post Road Real Ale, Old Marlborough Brewing Co., Marlborough, MA*
☐ Bronze—*Mount Tamalpais Ale, Marin Brewing Co., Larkspur, CA*

Blond/golden ale
☐ Gold—*Catamount Gold, Catamount Brewing Co., White River Junction, VT*
☐ Silver—*Oldenberg Blonde, Oldenberg Brewery, Fort Mitchell, KY*
☐ Bronze—*Summit Sparkling Ale, Summit Brewing Co., St. Paul, MN*

Scottish ale
☐ Gold—*Sun Valley Holiday Ale, Sun Valley Brewing Co., Sun Valley, ID*
☐ Silver—*Blue Whale Ale, Pacific Coast Brewing Co., Oakland, CA*

India pale ale
☐ Gold—*Rubicon India Pale Ale, Rubicon Brewing Co., Sacramento, CA*
☐ Silver—*Liberty Ale, Anchor Brewing Co., San Francisco, CA*

Fruit beer
☐ Gold—*Oldenberg Cherry Lager, Oldenberg Brewery, Fort Mitchell, KY*

Herb beer
☐ Gold—*Christmas Ale, Anchor Brewing Co., San Francisco, CA*
☐ Silver—*Tri-City Winter Warmer, Tri-City Brewing Co., Kennewick, WA*

Porter
☐ Gold—*Tower Dark, Butterfield Brewing Co., Fresno, CA*
☐ Silver—*George Washington Porter, Philadelphia Brewing Co., Philadelphia, PA*
☐ Bronze—*Anchor Porter, Anchor Brewing Co., San Francisco, CA*

Stout
☐ Gold—*San Quentin Breakout Stout, Marin Brewing Co., Larkspur, CA*
☐ Silver—*Sierra Nevada Stout, Sierra Nevada Brewing Co., Chico, CA*
☐ Bronze—*Rubicon Stout, Rubicon Brewing Co., Sacramento, CA*

Barley wine
☐ Gold—*Old Foghorn Barley Wine, Anchor Brewing Co., San Francisco*
☐ Silver—*Old Dipsea Barley Wine,*

THEIR CLASS

RICAN BEER FESTIVAL

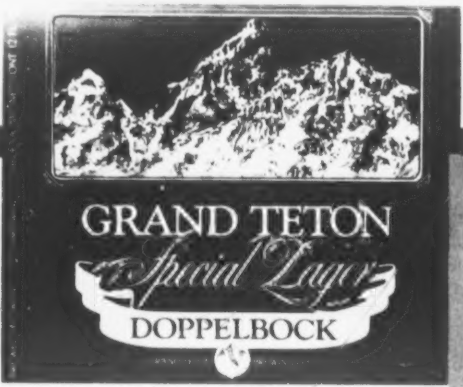
porter dark and well-hopped? Is the pilsener a golden color and dry tasting?) and technical brewing techniques. Festival attendees also voted for their favorite beer in the consumer-preference poll.

Although the brewers get no monetary reward for placing, the winners do receive a medal and enjoy the industry recognition; often they mention the honor in their advertising.

Bradford attributes the revival of microbrewery beers in part to the baby-boomer generation. "The baby-boomers are affluent; they have traveled and tasted good European beers. They are also able and willing to experiment. There are now enough baby-boomers to justify regional markets and specialized products. For instance, there are enough people who will buy stout today, whereas in the '50s there weren't."

Restaurateurs may want to do their own on-premises beer marketing to dovetail with this trend, such as pairing a "white" wheat beer with salad, a Vienna-style lager with a spicy main course, or a porter with a cheese and fruit course. The following list of winners from this year's festival should help with the selection.

FULL SAIL
AMBER ALE
NE STYLE
CALIFORNIA



IOWA 5¢ REFUND
SCHILD BRAU
PILS
PREMIUM BEER
MILLSTREAM BREWING CO
Amana, IA 52203
12 FLUID OZ

Marin Brewing Co., Larkspur, CA

Amber ale

☐ Gold—*Full Sail Amber Ale, Hood River Brewing Co., Hood River, OR*

☐ Silver—*1989 Autumn Ale, Alaskan Brewing Co., Douglas, AK*

☐ Bronze—*Hope Red Rooster Ale, Hope Brewery Corp., Providence, RI*

Bock beer

☐ Gold—*Kessler Grand Teton Doppelbock, Montana Beverage Ltd., Helena, MT*

☐ Silver—*Old German-Style Bock, Frankenmuth Brewery Inc., Frankenmuth, MI*

☐ Bronze—*Dark Horse, Virginia Brewing Co., Virginia Beach, VA*

European amber

☐ Gold—*Schildbrau, Millstream Brewing Co., Amana, IA*

☐ Silver—*Erin Brew, Cleveland Brewing Co., Cleveland, OH*

☐ Bronze—*Wild Boar Special Amber, Georgia Brewing Co., Atlanta, GA*

Vienna/Maerzen/Oktoberfest beer

☐ Gold—*Market Street Oktoberfest, Bohannon Brewing Co., Nashville, TN*

☐ Silver—*Gartenbrau Octoberfest, Capital Brewery, Middleton, WI*

☐ Bronze—*Newman's Albany Amber, William S. Newman Brewing Co., Albany, NY*

European pilsener

☐ Gold—*Manhattan Gold Lager, Manhattan Brewing Co., New York*

☐ Silver—*D'Agostino Fresh, Manhattan Brewing Co., New York*

☐ Bronze—*Saranac 1888, F.X. Matt Brewing Co., Utica, NY*

Muenchner

☐ Gold—*Old German Dark, Frankenmuth Brewery Inc., Frankenmuth, MI*

☐ Silver—*Helenbock Beer, Friends Brewing Co., Helen, GA*

American pilsener

☐ Gold—*Busch, Anheuser-Busch, Inc., St. Louis, MO*

☐ Silver—*Miller High Life, Miller Brewing Co., Milwaukee, WI*

☐ Bronze—*Budweiser, Anheuser-Busch, Inc., St. Louis, MO*

American light pilsener

☐ Gold—*Hudepohl 14-K, Hudepohl-Schoenling Brewing Co., Cincinnati, OH*

☐ Silver—*Michelob Light, Anheuser-Busch, Inc., St. Louis, MO*

☐ Bronze—*Boston Lightship, Boston Beer Co., Boston, MA*

American premium pilsener

☐ Gold—*Coors Extra Gold, Adolph Coors Co., Golden, CO*

☐ Silver—*Coors, Adolph Coors Co., Golden, CO*

American premium dark pilsener

☐ Gold—*Lowenbrau Dark Special, Miller Brewing Co., Milwaukee, WI*

☐ Silver—*Michelob Classic Dark, Anheuser-Busch, Inc., St. Louis, MO*

☐ Bronze—*Berghoff Dark, Berghoff-Huber Brewing Co., Monroe, WI*

Dry beer

☐ Gold—*Bud Dry, Anheuser-Busch, Inc., St., Louis, MO*

☐ Silver—*Diamond Head Dry, Honolulu Brewing Co., Honolulu, HI*

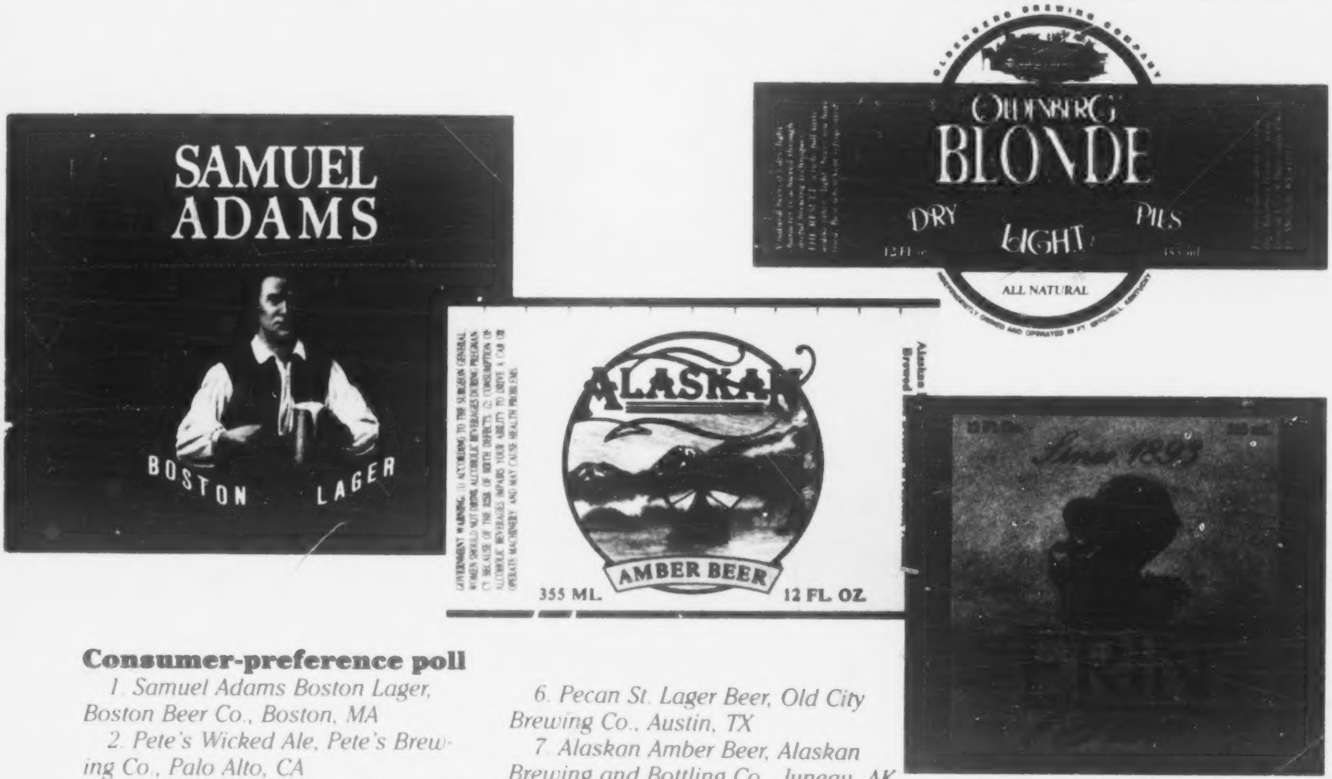
☐ Bronze—*Esquire Extra-Dry Beer, Jones Brewing Co., Smithton, PA*

Malt liquor

☐ Gold—*St. Ides Premium Malt Liquor, McKenzie River Corp., San Francisco, CA*

☐ Silver—*Midnight Dragon Malt Liquor, Hudepohl-Schoenling Brewing, Cincinnati, OH*

☐ Bronze—*King Cobra, Anheuser-Busch, Inc., St. Louis, MO*



Consumer-preference poll

1. Samuel Adams Boston Lager, Boston Beer Co., Boston, MA
2. Pete's Wicked Ale, Pete's Brewing Co., Palo Alto, CA
3. Telluride Beer, Telluride Brewing Co., Telluride, CO
4. Erin Brew, Cleveland Brewing Co., Cleveland, OH
5. Wild Boar Special Amber, Georgia Brewing Co., Atlanta, GA
6. Pecan St. Lager Beer, Old City Brewing Co., Austin, TX
7. Alaskan Amber Beer, Alaskan Brewing and Bottling Co., Juneau, AK
8. Oldenberg Blonde, Oldenberg Brewery, Ft. Mitchell, KY
9. Raspberry Ale, Marin Brewing Co., Larkspur, CA
10. Vail Ale, Vail Brewery Co., Vail, CO

Editor's note: Some of these beers are only available regionally. For more information, contact the Association of Brewers, Box 287, Boulder, CO 80306; (303) 447-0816. ❑

No-buzz brew

The nonalcoholic beer market may be small—less than one-half of one percent of American beer sales—but it is growing. And now that the nation's two largest beer companies are getting into the business, things might really start brewing.

Most industry analysts are skeptical about nonalcoholic brew's chances of ever making great inroads into the country's huge beer market—but many people also laughed at light beer in the early 1970s. Today, light beers account for 26 percent of industry sales. This figure, combined with the nationwide movement toward lighter foods and away from alcohol consumption, induced Anheuser-Busch Inc. to introduce O'Doul's Non-Alcoholic Brew and the Miller Brewing Company to roll out Sharp's. The advertising punch packed by these two giants is bound to win some new converts.

O'Douls and Sharp's join a growing assortment of imported and domestic nonalcoholic brews, several of which taste as full-flavored as conventional beer. The variety of available nonalcoholic brews makes it possible for operators to experiment with nonalcoholic tastings or promotions that involve pairing foods and nonalcoholic beers, such as Clausthaler with bratwurst, Kaliber with Irish stew or Texas Light with chili and barbecue.

Although the nonalcoholic-beer market may remain little more than a niche for several years, the savvy restaurateur will stock at least one or two brands. Businesspeople at lunch, designated drivers and those who simply prefer to stay sober appreciate the presence of a nonalcoholic brew on the menu. The opportunity to please these customers and—more important—to position an operation as socially responsible are good enough reasons to clear a little space in the beer cooler.

WHAT MAKES A BARTENDER GREAT?

by Carolyn Hughes Crowley

Look behind your bar. Does your bartender have the skills and personality that keep customers coming back? If so, put his or her face on the silhouette and thank your lucky stars.

The estimated 367,500 bartenders working in the country's 147,000 full-service bars have jobs that require much more than mixing drinks. To their customers they are also psychiatrists, priests, doctors and marriage counselors, as well as authorities on sports, current events and trivia. Knowledge, skill and personality can make or break a bar and can be the difference between a great bartender and a forgettable one.

Billy ("Ramrod") Reilly, a bartender at Rick Walker's Scoreboard in Fairfax, Virginia, is an example of a great bartender—*Bartender Magazine* named him to its Bartender Hall of Fame in 1988. "Personality in bartending is 100 percent of the game," Reilly believes.

Bartenders set the mood for the entire bar; and no matter what personal turmoil they may be experiencing, the attitude they show to their customers must be a positive one, says Kathy Cheri, director of Washington DC's Professional Bartending School. "If your husband walks out on you, you must get behind the bar and smile. You block out your personal life. The customers want you to be happy, showing feelings of let's dance, let's party. If a bartender is negative, everyone will be negative."

How to be better than good

Reilly and Cheri (who has had 11 years of bartending experience) and other experienced bartenders across the country share some tips on what they think makes a bartender great.

Carolyn Hughes Crowley is a freelance writer in Washington DC.

To begin with, Cheri tells her pupils, the bartender must be alert, acknowledging all customers within 30 seconds of their arrival. "Customers will happily wait forever, as long as the bartender has acknowledged them," she says.

Bartenders should accommodate themselves to what customers want them to be. "I keep a friendly face. If I make customers smile once, I'm doing my job. People come to me for R&R," says Robert Beck, a University of Florida graduate in public relations and a bartender at America's Bar in Chicago. "I have to pay attention to detail and read my customers," he adds. "Are they having a good time? Or should I leave them alone, if they want to do some thinking?"

Getting along with people is essential. Cheri gives advice on how to deal with customers of all types—whether they are "prim and proper executives or rowdy joke-tellers. Bartenders should listen and sympathize, but not give advice or personal opinions on anything," she says. "They should ask the customer how he thinks the problem should be handled, and then give a shoulder to cry on. Customers come up with the answers and give the bartender all the credit—even though he only listened. If the bartender were to give the wrong advice, who would take the blame? He would. So unless he has a degree in psychology, he should keep his mouth shut and his ears open."

At New York City's elegant Ritz Carlton Hotel, whose Jockey Club bar seats 15 people, bartender Norman Bukofzer, who's been at his business for 15 years, advises the men and women in his profession not to argue with customers. "They can avoid squabbles by never discussing politics, religion or customers' home lives—too personal." Cheri says bartenders should tell customers they don't know enough about the subject to give an educated opinion.

If a customer insists on discussing a controversial topic, a bartender doesn't have to go along. Bukofzer says, "You need two people to argue; and if you don't argue, it stops them cold, because they're fighting with themselves." He recommends sports as a good conversation topic. Other good subjects might include horoscopes, current movies, records, songs, TV shows and the alcoholic products the bartenders are selling.

Bukofzer also emphasizes that bartenders should have a good memory. "Remember where customers come from; their names—but you can't be too familiar with them; their work—but only if they bring it up; and what they drink. They should know they always have a friend here with us."

And no dating customers or socializing with them at the bar during time off. "Those three feet of wood between him and the customers give the bartender a psychological distance as well as a physical distance. If the bartender doesn't maintain that distance, customers may think he or she is a friend and ask for free drinks," says Cheri.

The business of pouring and mixing

The people part of bartending is important, but so is the business of pouring and mixing. It requires speed, agility, timing and accuracy. Stanley Travers, at Boston's Bull and Finch Club, pours three to 14 drinks at a time in a minute. "I can fill seven beer mugs at one time without stopping by using conservation of motion. Also I pour vodka in all the glasses at one time instead of lifting the vodka each time," says Travers, an Emerson College graduate in political and legal communications. Charlie Chop, a bartender for 35 years who now works at the four-star Marquis West in Santa Monica, California, has speed down to an even greater skill. He pours his drinks in this order: straight shots, highballs, mixed drinks, shake drinks and hot drinks. "I can make some drinks in five to 10 seconds," he boasts.

Cheri also emphasizes the importance of neatness. "Subconsciously, neatness registers in customers' minds when it's time for tips and return business," she says.

No drinking on the job, Cheri warns. Drinking on the job leads to immediate dismissal at many establishments. No matter now well an alcohol server can hold his drinks, he will become confused when handling money and customers, she says. Forty to 50 percent of bartenders don't drink at all.

Honesty, promptness and reliability are other qualities a great bartender must have. "Turnover at bars is outrageously high due to dismissals because of theft, giving away drinks to friends and overpouring. If the base limit is one ounce, and the bartender pours 1½ ounces, that adds up to 30 ounces after 60 drinks; and that's a bottle that's been given away," Cheri points out.

Cheryl Burrow, at Key West, Florida's Dockside Bar, believes high-quality bartenders should have a good sense of humor, "because you never know what's going to happen next."

Stanley Travers of Boston's Bull and Finch Club uses "conservation of motion" to pour three to 14 drinks per minute.

She recently worked at her outside bar, which serves 800 people a day, "looking like a drowned rat," because a tropical storm with 50-knot winds had drenched her and her clothes.

Ray Foley, editor and publisher of *Bartender Magazine*, would add ability to entertain and stamina to the list of bartenders' must-have traits. Bartenders walk two to three miles during an eight-hour shift, he notes, and may lift heavy kegs of beer or cases of beverages.

Women behind the bar

For women bartenders, handling the advances of male customers can be more of a problem than handling the kegs of beer. "Women bartenders learn to be tough, because guys can be brash, rude and crude," says Ann Shell, a bartender at Atlanta's Whisker's Tavern, a 1950s-style roadhouse with a beach, bar and grill. Shell, who earned an English degree from Tennessee's Covenant College and "moved up the hierarchy from cocktail waitress," handles the men with humor. "I tell them I've got an awfully big boyfriend. Do you wanna meet him?"

But although her personal life is off limits, Shell talks to her customers about sports or mergers and telecommunications.

Men who call Patricia Morgan "Baby" are quickly put in their place. She is a bartender at Pat O'Brien's in New Orleans' French Quarter; they say they sell more alcohol there by volume than anywhere else in the world. "I tell them I don't want to be called 'Baby.' My name is Patricia, and that's what I want be to called."

Making money and giving it away

Good bartending skills pay off in tips. Bartenders are paid anywhere from minimum wage to $10 an hour. The average starting salary is $4.50 an hour. "Tips depend solely on your attitude behind the bar," Cheri emphasizes. Billy Reilly, at age 26, is earning $40,000 a year.

Reilly believes in raising money as well as making money. To raise $11,000 for multiple sclerosis, he surpassed his 1988 *Guiness Book* record for longest continuing hours bartending; he tended bar for 240 consecutive hours—or 10 days straight. Reilly also won the National Multiple Sclerosis Society's Ugliest Bartender Contest, a four-week event during which patrons vote for their favorite bartender by donating 25 cents per vote to the National MS Society. It is more popularly know as the U.G.L.Y. contest, an acronym for "understanding, generous, loving you." "We should give back to the community, because we are part of the community," Reilly says. Bartenders have raised more for the National Multiple Sclerosis Society than any other profession—$27 million. ❑

Tending bar in an age of alcohol awareness

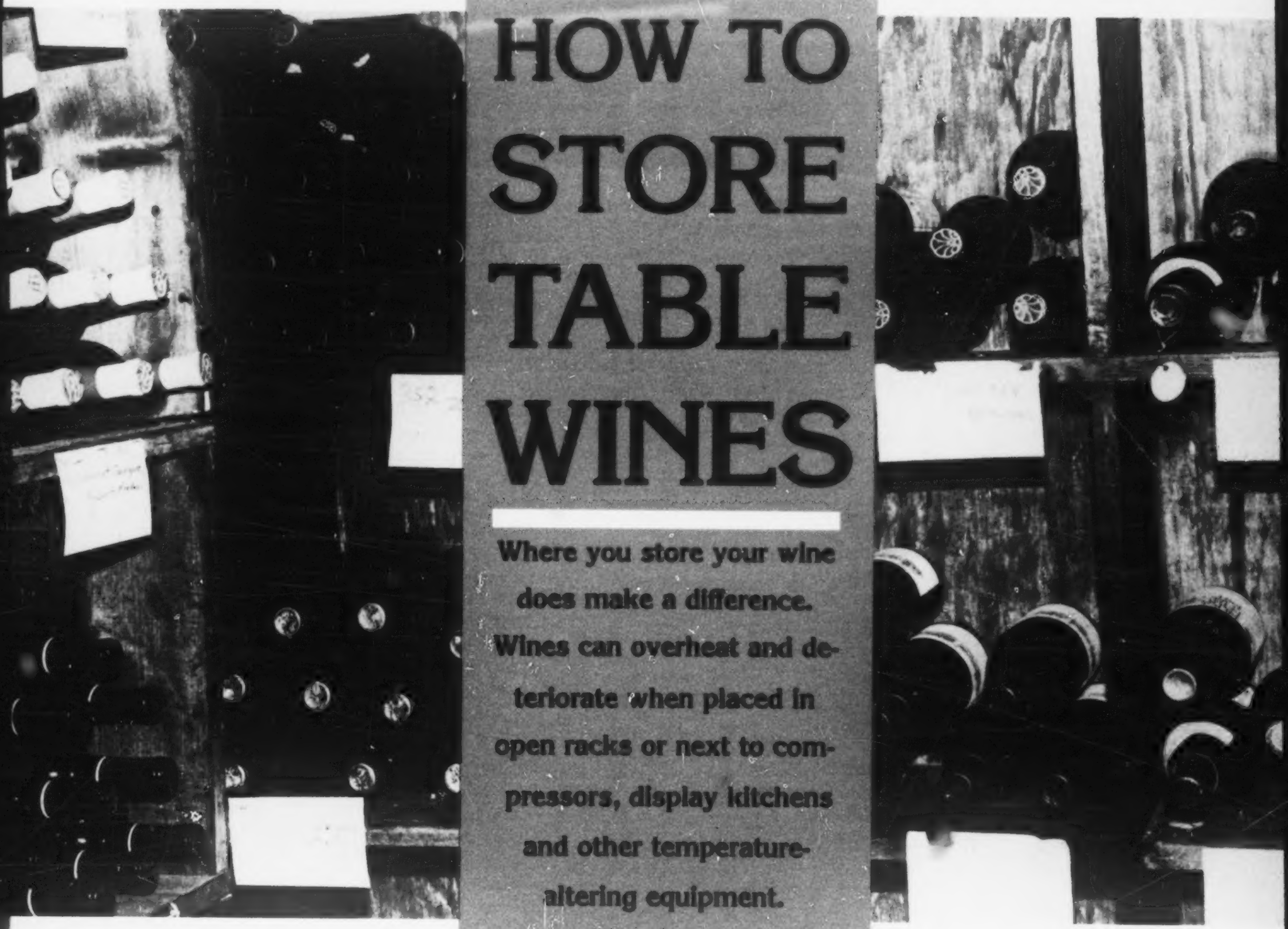
In this age of increased alcohol awareness, bartenders must play their part. In all 50 states it is against the law to serve an alcoholic drink to an intoxicated person—someone whose blood-alcohol level usually registers above .10 percent. An increase in state laws and court decisions that hold bars and bartenders liable for auto crashes, deaths, injuries or damages caused by intoxicated patrons is sending more liquor servers to take courses that emphasize limiting drinks before a customer has too much. The country now offers 200 server-training programs, up from about six in 1982.

Thus dealing with customers who've had too much to drink is one more skill bartenders must possess—perhaps the most important skill. Nationwide more than 150,000 people have passed the Training for Intervention Procedures by Servers of Alcohol program (TIPS). It is a six-hour skills-training program to prevent alcohol abuse in alcohol-selling establishments. It consists of a combination of videotaped vignettes and leader-facilitated discussions. Bartenders learn the cues that show a customer is headed for, or already arrived at, a drunken state and how to respond. As TIPS instructor Andrew Goldstein tells his students, "The law says your reasonable efforts to prevent a patron from becoming legally intoxicated can protect you from being drawn into court. It's your responsibility to the patron to get him home safely. Reasonable efforts," he said, "include cutting off a person's drinks, calling a taxi for him, and as a last resort, calling the police."

Judging whether someone is intoxicated is not always a simple matter, says the National Restaurant Association in material it has prepared for The American Driver and Traffic Safety Education Association. The number of drinks and the rate of consumption is part of it, but there are other variables involved. Intoxication is measured in terms of percentage of alcohol to total blood in a person's body. In most states .10 percent—or one-tenth of one percent—is considered legal intoxication. Thus, one drink could make a smaller person—5 feet 2 inches and 100 pounds—legally drunk. That same drink would have less effect on a person who is 6 feet 2 inches and 180 pounds.

Conditions other than size influence the effect of alcohol. It will have a stronger impact on an empty stomach than on a full one. Eating protein and fatty foods—chicken wings, hard boiled eggs or cheese—just before or while drinking will slow down intoxication. On the other hand, coffee or cold showers after the damage is done will have no sobering effect.

Fatigue, depression and certain medicines all seem to increase the effects of alcohol. Another factor is experience. People who have drunk moderately for years will be less affected by alcohol than an inexperienced drinker.



HOW TO STORE TABLE WINES

Where you store your wine does make a difference. Wines can overheat and deteriorate when placed in open racks or next to compressors, display kitchens and other temperature-altering equipment.

by Brian K. Julyan, MS, FHCIMA, LCG

The kind of grape, what the soil is like, what the climate is, where the vineyard is located, how the vines are cultivated and pruned and just plain luck combine to produce the wine that goes into the bottle. But it is what happens after the wine is bottled that finally shapes the quality and character of the wine.

Several things can go wrong after a wine is bottled, but the single most important factor is how the wine is stored.

Before buying, find out how wine was stored

Care and attention for a wine commence with its purchase. This care and attention is particularly imperative for higher-quality wines, not only because of the cost involved, which is often considerable, but also because higher-quality wines are frequently purchased after the wine has acquired some bottle age. It is therefore a sensible precaution to inquire into the bottle history before buying—particularly when buying at an auction. Poor storage or careless transportation could well cause what appeared at first sight to be a bargain to prove in years to come a disappointment and a bad investment.

For example, some ports and Bordeaux and Burgundy wines travel the world, going from auction to auction, sometimes resting in a private store before being offered for sale at yet another auction. The wine may be transported in conditions that are not temperature controlled, be left on the quayside in hot weather or stored temporarily in an unsuitable warehouse. Any of these things could cause irreparable damage to the wine—damage not apparent to a prospective buyer, unless tasting is possible prior to purchase. That is why a wine served in one establishment may be superior to the same wine of identical vintage served in another.

Storing after purchase

Once the acquisition has been made—assuming the wine was in good condition at the time of purchase—it is important to keep the wine in the best environment possible.

It's not absolutely necessary to store the wine below ground, but above-ground storage generally requires a temperature-control system.

Cooler and darker stores are recommended because they cause the maturation process to be slower—a slow maturation keeps good-quality wines longer and generally produces the best results. A slower maturation also keeps wine at its peak for an extended period, offering a longer time span for full drinking enjoyment.

Whether the storage is above ground or below, the temperature should be constant, with only minor fluctuations—from 11° to 13° C. (52° to 56° F.). White, rose and sparkling wines ready for service should be kept at 10° C. (50° F.) and red wines at approximately 18° C. (65° F.). These temperatures allow for small adjustments just prior to service. Some wines, such as sparkling wines, are best served slightly cooler, and some red wines require a slightly warmer service temperature.

In addition to an even temperature, the ideal wine store will be secure, with easy and safe access. It will have little or no natural light, no drafts, no vibration; and it will be clean and hygienic, with no unpleasant or strong smells. Contrary to some thinking, dampness will not affect the wine adversely and will, in fact, help to prolong its life because it keeps the top of the cork moist. Dampness will, however, cause the label to collect mold and peel off, thus spoiling the bottle for future auction sale and presentation. To counteract this problem, a light clear varnish painted over the label will help protect it. This, of course, is why vintage ports have all information branded on their corks and often have no label at all.

The cellar should be monitored frequently to ensure that there are no problems. A wary eye should be kept out for signs of the cork weevil, which may have been present when the wine was bought. Small piles of very fine cork under the neck of a bottle are a sign that the weevil has been at work. Any wine thus affected should be inspected to see whether the weevil has penetrated through the cork to the wine. If it has, the bottle should be removed and used immediately, after making sure that the wine is in good condition. The rest of the bottles should be treated by coating all the tops of the capsules with either a sulfur preparation or a proprietary bug killer.

All wines sealed with a cork must be stored on their sides, with the label uppermost for easy reading. Vertical storage will cause the cork to dry and shrink, allowing air to come into contact with the wine and spoil it.

If the bottles are in wooden cases, it is probably best to leave them there, after making sure that the bottles on the inside are on their sides to protect them against temperature variation and light. For quantities of less than a dozen, racking will permit a simple method of cataloging each bottle. For large quantities, binning is often more appropriate. Whichever method is used, each new purchase should be entered into a cellar book, recording from whom and where it was purchased and its cost.

Why good storage is important

The wrong temperature, too much light or a dried-out cork will either spoil the wine completely or take away some of its quality.

Too much heat will age the wine prematurely and could cause it to maderise—displaying a cooked/toffee-like flavor. When the maturation process is unbalanced, the wine is out of condition and not fit to drink. A maderised wine will lose its fruitiness, liveliness and much of its color. Red wines will start to brown, whereas white wines darken in color.

Less severe heat can cause the wine to color-age without losing all of its other qualities; the wine will be drinkable, but the storage span will be reduced. This fault can be caused by protracted open storage in the restaurant area itself.

Warm (not hot) storage can assist wine to become ready for drinking earlier, but the wine will lack some of the finesse and subtleties of flavor that would evolve if the wine were stored correctly.

Wine affected by light and/or a dried-out cork will oxidize. The wine takes on a woody, toffee, sherry-like nose and flavor, coupled with a change of color—as in maderisation. This can also be caused by lengthy storage in the restaurant or in upright storage. Light is probably the most serious enemy of champagne and sparkling wine, causing the bubbles to disappear, the color to darken and the flavor to taste oxidized. This is the main reason why most champagnes are bottled in dark green bottles.

Because the cork is porous, any unpleasant smell in the cellar will affect the wine. Dirt and poor hygiene attract vermin and insects, both of which can adversely affect the bottle.

Serve wine at its prime

Even if the wine is in good condition when cellared and the storage conditions of the cellar are perfect, it is still possible to spoil the wine by keeping it either too long—past its prime—or not long enough—before it has realized its full potential. The progress of reasonable-sized quantities of the same wine can be monitored by periodic testing.

In conclusion

The most sensible advice to follow to ensure good-quality wines is:

☐ Buy from a reputable wine merchant

☐ Never buy from one who displays full bottles of wine in the window, allowing the sunlight and temperature of the shop to destroy the quality of the wine

☐ Be very careful and selective at auctions, tasting before buying whenever possible

☐ Carefully select the site for your cellar and provide the ideal conditions

☐ Store wines and ports on their sides; store sherries and spirits upright, unless the sherry is sealed with a cork

☐ If you can't provide a cellar, buy a small pre-built wine-storage system. These can be bought for the price of a couple of cases of good-quality wine.

Be kind to your wine, and it will repay you many times over. ❑

Brian Julyan is secretary of The Court of Master Sommeliers World-Wide. He and other officers of the Court will be in Monterey just prior to the Monterey Wine Festival to conduct the Sommelier Certification Course and Examination, the first in a series of rigorous exams leading to the master-sommelier designation. They will also conduct the Master Sommelier Diploma Examination—the final step before an individual can receive the coveted title.

SELLING WINE

With wine displacing distilled spirits as the beverage of choice in a growing number of restaurants, the emphasis on the merchandising and promotion of wine will continue to increase. Presenting the customer with an easy-to-read wine list is one simple, inexpensive way to ensure more wine sales for your restaurant.

THE EASY WAY

by Bill Main

In cafes and coffee shops, white-tablecloth and fine-dining establishments in all parts of the country, enjoying wine with food has become an accepted social custom. Yet, for the average restaurant patron, choosing an appropriate wine from the wine list can be a confusing and often an intimidating experience. Many diners simply don't have the experience to distingush between a Chardonnay and a Sauvignon Blanc, or a Zinfandel and a Pinot Noir.

As a result, many restaurant patrons, confused by the array of wine choices, must rely on the knowledge and expertise of their waiter or waitress, or they fall back on a wine with a nationally recognized label, such as Mondavi, Inglenook, Gallo, Sebastiani or Wente. Although it's true that diners who order a product of these better-known wineries are likely to end up with a wine of quality, they will have overlooked the many fine wines from the smaller "boutique" wineries. Familiarity is no guarantee that the wine selected will offer a fair and reasonable price/value or be the best choice to complement the food selected.

The old adage of "white wine with fish, red wine with meat" doesn't help either. The wine industry has long advocated ordering wine on the basis of taste, not color. Today's consumers want a wine that will enhance the food they have ordered, not one that conforms to an antiquated rule.

A simple wine list

One way to help customers feel more comfortable ordering wines is to arrange the wine list in a nonintimidating manner. A particularly effective layout technique is to arrange white wines in order of driest to sweetest, red wines in order of lightest to full-bodied.

This approach to wine listing has many advantages. Perhaps most important, it makes the wine list easily understood by everyone. Most restaurant guests know their taste preference in wines in the same way they know whether they prefer their steak cooked medium rare or well done.

This simple wine-listing technique also makes it easier for guests to pair certain food items with the appropriate wines. It allows diners to customize the meal themselves without relying on waiters or waitresses who have had to memorize the characteristics of each wine on the list. Moreover, your servers, who may have been afraid to recommend wines because of their own limited knowledge, will suddenly gain a renewed interest in suggestively selling wine. And you may find that arranging your wine list in this way causes you to rethink your offerings so that you have the right balance of wine flavors to complement various food items offered on your menu.

An all-win proposition

The way a wine list is written can help the nonconnoisseur make a knowledgeable choice of what to drink with a meal. The simple techniques described in this article will help you present your wines in an easy-to-read, understandable and nonintimidating manner. It is an all-win proposition, at virtually no extra cost to your restaurant. ❑

Bill Main is co-owner of The Shore Bird restaurant in Half Moon Bay, California, a foodservice industry consultant and an instructor for the Educational Foundation of the National Restaurant Association.

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TEA A

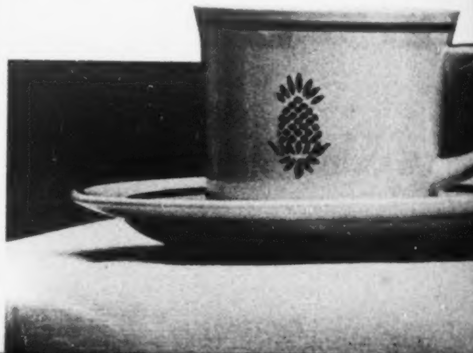
Coffee and tea lag behind soft drinks as the beverage of choice for those eating out. But that's no reason for a restaurateur to neglect promoting them. The Tea Council of the U.S.A., in New York City, estimates tea costs foodservice operators between two and four cents a serving. Coffee is a bargain, too. Even gourmet coffees, selling for about $7.50 a pound, actually cost only about 10 cents a cup.

Coffee sales haven't exactly been bubbling along the past 25 years. Although the 52.5 percent who said they drank coffee in 1989 is up slightly from the 50 percent who drank it in 1988, that's still a long way from the peak year of 1962, when 75 percent of the American population said they were coffee drinkers. Away-from-home consumption has declined accordingly. Between 1980 and 1987, both the volume of coffee sold plus coffee orders declined by approximately 19 percent.

Decaf and specialty coffees rising in favor

The good news for the coffee industry is that decaffeinated coffee and specialty gourmet coffees are increasing in popularity. Sales of decaffeinated coffee increased fourfold between 1962 and 1989.

The popularity of decaffeinated coffee can be attributed to health concerns; that evidence suggested too much caffeine could hurt the heart. But undoubtedly decaffeinated coffee is also popular with people who think caffeine interferes with a good night's sleep. At Philadelphia's Rittenhouse Hotel, general manager Paul Seligson has found that many patrons of the hotel's restaurants won't



RKING UP
D COFFEE SALES

touch caffeinated coffee from the noon hour on. Sales for regular and decaffeinated coffee run 50-50 at the hotel's restaurants, he says.

Gone are the days when diners opting for decaffeinated had to settle for an insipid-tasting instant coffee. Most restaurants now serve brewed decaffeinated coffee, and even many of the gourmet brands, including roasts used for espresso and cappuccino, are available in a decaffeinated version.

Gourmet coffee sales are also up—a hefty 20 percent over the past five years. Flavored coffees, like almond or chocolate, are popular, too—often taking the place of a high-calorie dessert. The specialty coffees may be more expensive than the ordinary kind, but Americans looking for new taste sensations are apparently willing to pay the price.

Many restaurants have their own special blend of coffee and have become as known for their roast as their food. Some restaurants, like the White Castles and Dunkin' Donuts, carry it even further by packaging their own brand for customers to buy and take home.

At the Coffee Trader in Milwaukee, a 190-seat fullservice restaurant, more than 200 varieties of coffees packaged under the restaurant's name are available for customers to buy and take home. The restaurant also promotes a coffee-of-the-month (January's was cinna-nut) and has Melior pots available for customers who want to brew their own coffee right at the table.

Just in the past year, sales of iced coffee have begun to take off, according to Michael Levin, president of the Coffee Development Group in Washington DC, an arm of the International Coffee Fund that promotes the sale of coffee. When Levin talks about iced coffee, he is not referring to regular hot coffee poured over ice and allowed to cool, resulting in a watery, weak drink. Today's iced coffee is a prepared beverage, made in advance and cooled. It's available in cans or prepackaged, or a restaurateur can make it up ahead of time (see recipe). The result should be a sweet and creamy drink—even a low-cal one, depending on which sweeteners and creamers are added—that will compare favorably with a soft drink. When the sweetener and cream are added to the prepared coffee, it is often referred to as iced cappuccino.

Tea—some like it hot, more like it cold

Tea comes in third as beverage of choice—after soft drinks and coffee—but its popularity is growing. The volume of away-from-home tea consumption grew by almost 17 percent between 1980 and 1987.

The surge in sales of tea is due pri-

ICED TEA COOLER

Serves 12 to 16

Ingredients:
2 large tea bags
3 qts. boiling water
½ cup sugar
1 can frozen lemonade
1 qt. chilled ginger ale or 7-Up
Mint sprigs optional

Method:
Pour water over tea bags, cover and brew 3 to 5 minutes. Stir. Cool. Add frozen lemonade. Before serving, add chilled ginger ale or 7-Up. Pour over ice and add sprig of mint, if desired.

—The Tea Council of the U.S.A.

ICED CAPPUCCINO

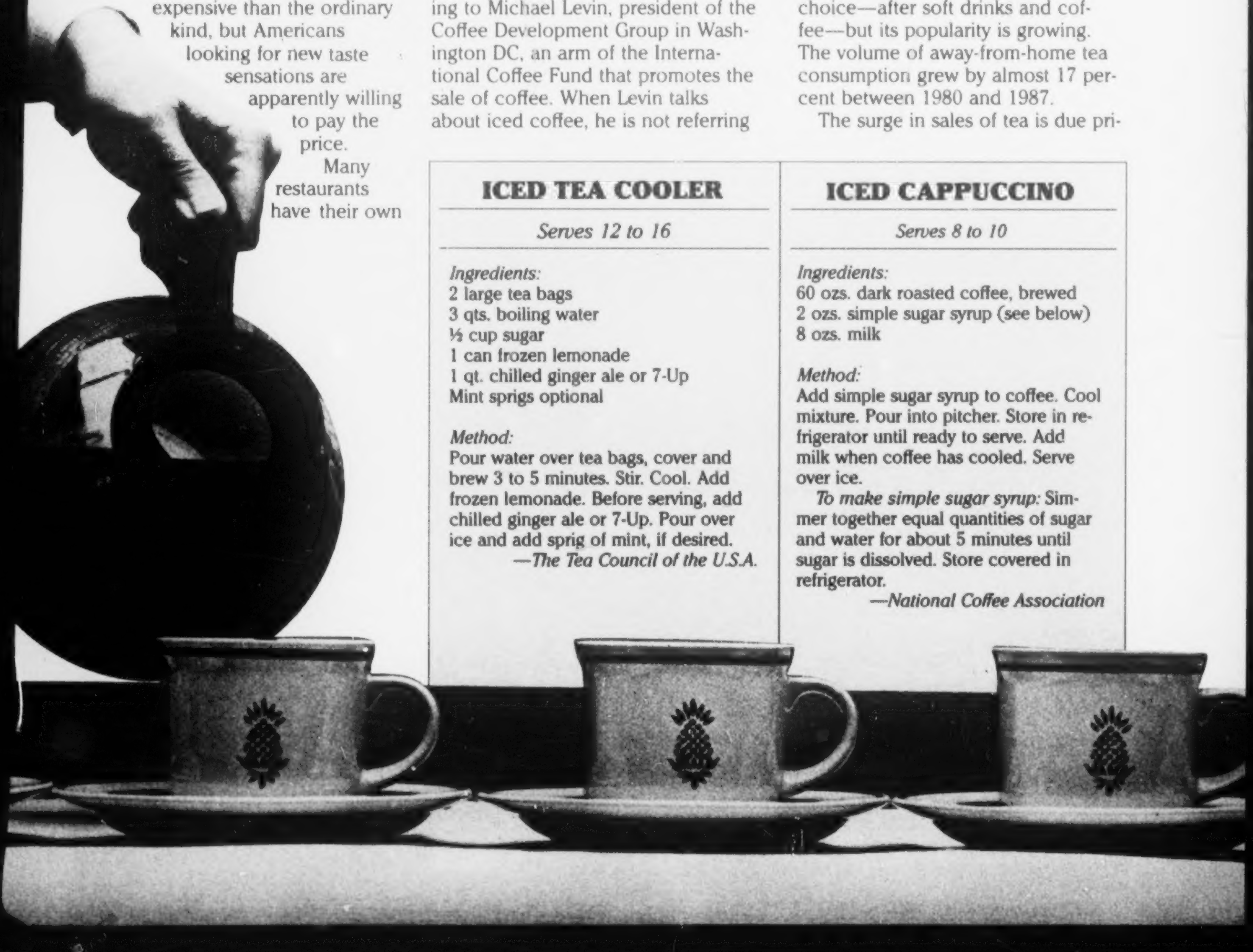
Serves 8 to 10

Ingredients:
60 ozs. dark roasted coffee, brewed
2 ozs. simple sugar syrup (see below)
8 ozs. milk

Method:
Add simple sugar syrup to coffee. Cool mixture. Pour into pitcher. Store in refrigerator until ready to serve. Add milk when coffee has cooled. Serve over ice.

To make simple sugar syrup: Simmer together equal quantities of sugar and water for about 5 minutes until sugar is dissolved. Store covered in refrigerator.

—National Coffee Association



marily to the growing popularity of iced tea. Don Wiederecht, executive director of the Tea Council of the U.S.A., reports that 80 percent of tea sold is used to make iced tea. He views iced tea as competition for other cold drinks like soft drinks or even beer. Iced tea should have a competitive edge, though, because it has no calories (unless the drinker loads it with sugar) and costs less than soft drinks. Wiederecht sees no reason why iced tea shouldn't be as popular in winter as it is in summer; after all, soft drinks are drunk in cold weather as well as warm. Fruity teas are especially popular iced. Some operators are adding flavor to iced tea by brewing a bag or two of herbal or flavored teas with their regular variety.

Tea, like coffee, is being offered by more and more restaurants in a variety of flavors, not only the better known black and green teas, but also herbal teas and flavored teas, like the popular orange-cinnamon. Many varieties of tea are also available in decaffeinated form, and it is becoming more common for restaurateurs to offer their customers a selection.

Teatime gaining fans

Tableservice restaurants sell more coffee and tea than fast food restaurants, and one way many tableservice establishments are promoting tea is with an English-style afternoon tea. For example, Sarabeth's in New York City has just added a traditional tea in its newly expanded branch on the Upper East Side. But the practice is most often catching on in upscale hotels, which are finding it gives their hotel an international feel and draws in people—hotel guests and locals—at what would otherwise be a dead time.

In Philadelphia, the Rittenhouse Hotel serves afternoon tea from 2:30 to 5:00, seven days a week, in the Cassatt Lounge just off the lobby. On nice days patrons can take tea in the garden outside the lounge. The Rittenhouse offers 10 kinds of commercial tea plus six teas packaged under its own name. Coffee, espresso, cappuccino and a selection of ports and sherries are also available. For $9.25 a customer can enjoy a pot of tea; an assortment of delicate sandwiches; scones with cream, jam and lemon curd; cookies; tea cakes and fruit tartlettes. Items are also available a la carte. A piano player provides soothing background music. General manager Paul Seligson says the Rittenhouse teatime averages 50 people on quiet days, 75 on busy days, with an average check of $4.57.

Some American men are discovering that afternoon tea is a nice alternative to cocktails, finding it a quieter and more relaxed environment for doing business. But women still make up the majority of customers.

Caterers, too, can offer afternoon tea. The Park Hyatt in Chicago has had success with its Tea to Go service for up to 10 people. For $17.50 per person, the hotel food and beverage staff will prepare and deliver a selection to homes and offices of three teas, finger sandwiches, miniature pastries, scones with Devonshire cream and a Parisian torte—layers of ham, Swiss cheese, egg, spinach and roasted green pepper baked in a pastry puff. Setup and takedown are included, and the display is striking with its white linens, china and china teapot. For an additional $50, a butler will stay and serve. The hotel uses a checklist to make sure it has everything—from paper doilies to butter knives.

When planning an afternoon tea, it is common to accompany a pot of tea with two to four types of sandwiches (delicate bite-sized triangular or finger-sized offerings with no crust and filled with such items as watercress and cream cheese, salmon, smoked trout, cucumber and cream cheese, egg salad and roast beef), a scone or two with cream, and a sweet treat that could include pastries, petits fours, tarts or fruit breads. The items can be served individually, on platters or with tiered serving pieces.

Boosting coffee or tea sales

One way to boost coffee and tea sales is to offer several kinds of gourmet or flavored coffees or teas in addition to a house brand. People who drink beverages are looking for quality. When expanding your selection, it's important to train servers so they can tell customers what kind of taste to expect, or better yet print an after-dinner beverage menu that includes descriptions. For example, you can say that Darjeeling tea has "a rich Muscatel flavor" or that jasmine tea has "a flowery, pungent bouquet."

Regular coffee can be upgraded and made to taste richer and more full-bodied by increasing the amount of coffee grounds per serving. Coffee should not be held for more than an hour. Dunkin' Donuts has built a loyal coffee following by brewing a fresh pot every 18 minutes. Another proven marketing technique is the bottomless cup of coffee, where one price include limitless refills. Tea customers appreciate this, too.

The espresso machine, prominently displayed, has become an effective marketing device for coffee sales.

To build tea sales, display the selections in baskets, tins or boxes or on a cart. Serve teas in a two-cup teapot with boiling—not tepid—water. And offer milk and sugar as well as lemon on the side. If you use loose tea, be sure to tell your customers how long the tea needs to brew.

These extra touches can go a long way toward highlighting the quality of the meal the customers have enjoyed, leaving a positive lasting impression that will bring patrons back. ❑

#104

Bosstalk

Over the years I've noticed that employees pay very close attention to what is being said when the boss talks. I've also noticed that most bosses weigh their words carefully most of the time because they realize that employees hang on their words and often read things into what is, and what is not, said. In fact, the more delicate the situation, the greater the care required in choosing the "right" words. This has given rise to a new "language" that I call "bosstalk." Here are some examples, with the meaning in parentheses.

1. How are you getting along? (*If you're not getting along well, work it out yourself.*)

2. Let's see now; you've been here some time. Where do you see yourself going in the future? (*Bring your resume up to date.*)

3. In my humble opinion . . . (*It's not really humble, so you better listen closely.*)

4. How are you coming on that project? (*I've been expecting a report. Now snap to it.*)

5. Did you hire the person you wanted? (*The new employee better be a good fit, or you're in big trouble.*)

6. Do we have a press opportunity here? (*Schedule a press conference and write me the greatest speech of your life.*)

7. We're going to be changing direction. While the organization is my primary concern, I am sensitive to the impact of change on people. (*We've eliminated your job. Clean out your desk.*)

8. I have every confidence in you. (*This is your last chance.*)

9. It's your decision; just keep me informed. (*You better make the right decision, because I don't want to hear about it again.*)

10. You don't need me for that, do you? (*Whatever it takes, get me out of it.*)

11. I want to speak to you as a friend. (*As your boss, I'm about to lower the boom.*)

12. I am concerned that our costs are getting out of control. (*We're going to mandate a hiring freeze and slash the travel budget.*)

13. I think a review of our advertising strategy is in order. (*Terminate the current agency.*)

14. It is an exceedingly competitive business environment. (*Don't spend the bonus you hoped for, because it won't be there.*)

15. I came across an idea I'd like you to consider. (*I had a stroke of genius, and you better implement it as fast as you can.*)

16. I'd like to have this retyped; I made some changes. (*I found a few typos.*)

17. Do you believe the assumptions you made in your business plan to be sound? (*What Ouija board did you use?*)

18. I presume it's safe to say the auditors will not find anything of consequence. (*If the auditors find anything at all, I am going to tell them that you did it without authorization.*)

19. Are we taking advantage of all the discounts we are entitled to on our purchases? (*Take the discounts even though the time period has expired.*)

20. You have unlimited potential for advancement in this organization. (*Do what you're told, and you'll move along at the regular pace.*)

21. I don't need to be in the picture, do I? (*I want to be in the front row center.*)

22. I think this place needs a little sprucing up. (*This place is a mess. When was the last time anyone cleaned it?*)

23. From my perspective, there's been a little letdown in your performance recently. Is anything bothering you? (*You're hanging by a thread. Get your act together or get out.*)

24. What did the research study show? (*This better be good news, or I'll decimate your budget.*)

25. I really think this organization needs a higher public profile. (*Line up as many media interviews as you can and tell the ad agency to feature me in the spots they create.*)

26. I want to convey this to you as clearly as I can so there is no misunderstanding. (*You'd better believe this is serious; I've scripted it carefully in my mind and checked it out with lawyers.*)

27. Let me have some feedback. What can I do better to help you? (*I've given you all the help I can, so don't ask for much.*)

28. I will not tolerate departmental conflict solely based on personalities and egos. (*I don't mind creative conflict over objectives, strategies or resources—just don't get personal.*)

29. How's the family? (*I don't want an in-depth response; I just asked the question to be cordial.*)

30. I appreciate all the hard work you put in on that project. (*I've been working hard myself, and I'm expecting you to carry your share of the load.*)

31. Ladies and gentlemen, you are what makes this organization tick. (*I just saw a survey that said employees value recognition over other types of rewards.*)

32. Welcome back. I'm glad to see you've fully recovered. (*I hope he/she doesn't cost us any more in health claims.*)

33. What are we going to do for our employees for the holidays this year? (*We spent way too much last year. Cut it in half this time.*)

34. We've got to be imaginative and find ways to increase our productivity. (*Draw up a list of all nonessential employees and make out the pink slips.*)

35. We need to get back to basics. (*All trips to conferences and seminars are cancelled.*)

36. We've got to think like our customers, act like our customers and be like our customers. (*I think there is a lot of deadwood in the organization, and I've just sharpened the axe.*)

37. We've got to take a hard look at the budget. (*Expansion plans have just been put "on hold."*)

38. We've got to increase our return on assets. (*We're going to start leasing and stop buying.*)

39. My singular objective is to keep this organization growing at a rapid pace. (*The organization has outgrown you. It's time for you to move on.*)

40. I know that you'll all function efficiently while I'm away. (*I'm going to call in every day, and I'll want a full report.*)

Fisher's Law #104: When the boss talks, be sure you understand the language.

Foodservice employment: 11 million by 2000

*According to revised projections by the Bureau of Labor Statistics (BLS), the foodservice industry is expected to employ more than 10.7 million workers by the year 2000—up from 8.7 million in 1988.**

It's time to revise your employment projections. According to BLS estimates, U.S. eating-and-drinking place employment will grow 24 percent to reach 7.8 million people by the year 2000—employing close to 6 percent of the U.S. labor force. This is a higher rate of growth—1.8 percent per year—than for the total labor force, which should advance 1.2 percent per year between 1988 and 2000. Employment growth at eating and drinking places will also outpace grocery-store employment and retail-trade employment growth, both of which are expected to advance 1.5 percent per year. The only retail-trade segments projected to post higher annual employment growth are miscellaneous-shopping-goods stores and appliance, radio, TV and music stores. Hotels and other lodging places should also fare well, with employment growing 2.0 percent per year to reach nearly 2 million.

Retail industries as a whole are expected to surpass manufacturing to become the second largest employer, behind services, by the year 2000. It is expected that retail trade will generate 3.8 million new jobs between 1988 and 2000, 40 percent of which will be in eating and drinking places. While the service and government sectors of the economy will also experience employment growth, manufacturing jobs will decline slightly, as the economy continues to become more and more service-oriented. Service-producing industries are expected to account for 79 percent of all nonfarm wage and salary jobs in 2000, up from 76 percent in 1988. Overall employment is expected to total 136 million persons in 2000—a net addition of 18 million.

Bakers are top-growing occupation

Between 1988 and 2000, bread and pastry bakers are expected to show the highest growth rate of any foodservice occupation—advancing 35 percent by 2000. Servers and hosts and hostesses are also projected to show more than a 30 percent increase in employment. Server jobs, which numbered 1.8 million in 1988, will rise to more than 2.3 million in 2000, accounting for more than three out of 10 new foodservice jobs. Growth of more than 20 percent is expected for bartenders, restaurant cooks and chefs, food-preparation workers (excluding fast food), waiter and waitress assistants and all other foodservice workers, such as dishwashers.

Fast food jobs, including both short-order and fast food cooks and preparation and service employees, are expected to show the lowest rate of growth of all foodservice occupations. Despite the slowed growth, BLS projects that fast food will add another 329,000 jobs between 1988 and 2000 and account for nearly three out of 10 people employed in foodservice.

The part-time labor market

Although demand for employees has grown and will continue to grow, BLS data indicates that the use of part-time employees in these positions may be slowing. Weekly hours worked in eating and drinking places are not falling as rapidly as in the previous three decades, possibly indicating that these employees are working more hours.

This trend of decreasing proportions of part-time workers is seen in other retail segments as well. Retail trade accounts for about two-thirds of all the part-time workers in the economy. Part-time workers are predominantly women (two-thirds), and a high proportion are between 16 and 24 years of age (one-third). The sources for both groups of workers have diminished. According to BLS, fewer women now seek part-time employment (as more now opt for full-time careers), and the proportion of 16 to 24-year-olds in the labor force has declined.

These statistics are particularly troublesome because labor-force participation by young women (20 years old to 34 years old) will be at a lower rate from 1988 to 2000 than it was from 1976 to 1985. In addition, the young labor force (16 to 24 years old) will be at the same level in 2000 as it was in 1988. During that time period the teenage labor force is expected to shrink until 1992; then it is expected to climb until the year 2000. The 22 to 24-year-old labor force will decline until 1998 before showing some modest advances. And the number of young adults—20 and 21 years old—will decline until 1995 before rising again.

This shrinking labor pool will cause yet more competition for workers.

Shift in age

Because of a continuing decline in the number of available younger workers, some eating and drinking places are attempting to employ workers over 55 years old. However, a BLS study of those employed in foodservice occupations has found that although the proportion of workers between 16 and 24 years old declined somewhat between 1983 and 1988, there has been little increase in the proportion of older workers.

According to BLS and Current Population Survey data, in 1983 workers between 16 and 24 years of age accounted for 48.5 percent of those employed in foodservice occupations. In 1988 this group represented 44.9 percent. Workers older than 55 represented 9.2 percent of the foodservice labor force in 1983 and 8.6 percent of the foodservice pool in 1988.

Foodservice employers seem to be turning to adults between 25 and 34 years of

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**This figure is a combination of eating-and-drinking-place industry employment and individuals employed in foodservice occupations working in other industries.*

Eating and drinking place employment projections

Increases in employment are expected for all occupations

Occupation	Employment (000s)* 1988	Employment (000s)* 2000	Percent change
Administrative support employees, including clerical	112	122	9%
Food preparation and service workers	5,068	6,292	24
☐ Bartenders	271	339	25
☐ Bread and pastry bakers	33	45	36
☐ Cooks and chefs	1,024	1,249	22
Restaurant	408	538	32
Institution or cafeteria	33	53	61
Short order and fast food	583	658	13
☐ Food-preparation and service workers, fast food	1,288	1,455	13
☐ Food-preparation workers, except fast food	486	609	25
☐ Hosts/hostesses	153	202	32
☐ Waiters/waitresses	1,439	1,896	32
☐ Waiter/waitress assistants	304	400	32
☐ All other foodservice workers	70	97	39
Managerial and management-related workers	383	513	34
☐ Foodservice and lodging managers	210	309	47
☐ Other managers and support workers	173	204	18
Marketing and sales workers	325	401	23
☐ Cashiers	277	337	22
All other workers	394	468	19
Total	6,282	7,796	24%

* *Includes only workers in SIC code 58 and does not include workers in foodservice segments such as institutional and lodging*

Source: U.S. Department of Labor, Bureau of Labor Statistics

Foodservice occupational employment projections*

All foodservice and preparation occupations should post growth between 1988 and 2000

Occupation	Employment (000s)* 1988	Employment (000s)* 2000	Percent change
Bread and pastry workers	124	167	35%
Bartenders	414	506	22
Cooks and chefs	1,605	1,914	19
☐ Institutional or cafeteria	403	467	16
☐ Restaurant	572	728	27
☐ Short order and fast food	630	719	14
Food-preparation workers, fast food	1,626	1,866	15
Food-preparation workers except fast food	1,027	1,260	23
Hosts/hostesses	183	239	31
Waiters/waitresses	1,786	2,337	31
Waiter/waitress assistants	448	578	29
All other foodservice workers	290	360	24
Total	7,503	9,227	23%

* *Does not include professional, technical or sales workers*

Source: U.S. Department of Labor, Bureau of Labor Statistics

age to replace their dwindling numbers of teenage employees. In 1983 this group represented 20.1 percent of the foodservice labor force; in 1988 the number had climbed to 23.9 percent. The availability of workers in this age group, however, is also likely to decline in the years ahead by 1.4 percent per year through 2000, and the number of working women in this age group is expected to drop 0.4 percent per year.

Where to turn for help

As the labor market continues to tighten, it will become increasingly important for restaurateurs to tap into nontraditional labor pools to maintain and increase their employment levels.

For example, although the foodservice industry has not yet managed to shift to employing a larger percentage of senior adults, their numbers in the labor force are projected to grow. Men between 55 and 64 years of age should grow in number by 1.1 percent per year between 1988 and 2000, and women of the same age should grow in numbers by 1.8 percent per year.

Minority groups are also expected to show substantial growth in numbers. The number of Hispanic workers is estimated to grow at 4 percent per year between 1988 and 2000, a much higher rate than the 1.2 percent annual growth for the entire civilian labor pool. Asian and other groups (including American Indians, Alaskan natives, Asians and Pacific Islanders) should show a 3.6 percent annual increase in numbers, while Blacks should increase their workforce presence by 1.9 percent per year. —*Nancy Michalski*

Popularity of ethnic foods likely to grow

*One out of every two adults say they wish more ethnic foods were available at restaurants, according to the National Restaurant Association's **The Market for Ethnic Foods**. And although Chinese, Italian and Mexican are the most popular ethnic foods at foodservice establishments, many consumers express an interest in expanding their ethnic food horizons.*

In 1989 the National Restaurant Association conducted a study to investigate the range and breadth of consumer interest in ethnic cuisines and ethnic restaurants. The study not only probed the frequency of consumption of 19 ethnic foods but also consumer attitudes associated with ethnic cuisines and ethnic restaurants.

Three tiers of ethnic preferences

A nationally representative telephone survey of 635 adults shows that the majority of U.S. consumers consider Chinese, Italian (excluding pizza) and Mexican cuisines to be their ethnic favorites. Approximately three-quarters of U.S. adults have eaten these foods in restaurants, and more than 40 percent of respondents said they ate these foods out within the month prior to the survey. The broad appeal of Chinese, Italian and Mexican dishes suggests that they have been fully assimilated into U.S. culture and might be identified as "traditional" ethnic foods by many Americans.

A second group of ethnic cuisines which has been tried by between 25 and 50 percent of adult Americans includes French, Spanish, German, Japanese, Greek and Latin American cuisines. However, when consumers were asked whether they ate these foods at restaurants during the month prior to the survey, a lower six to 10 percent of respondents indicated that they had done so. The popularity of the ethnic foods in this category may be explained in part by the pluralistic nature of U.S. society.

The third tier, which includes Indian, Caribbean, Eastern European, Middle Eastern, Korean, Thai, Vietnamese, Scandinavian, Russian and African foods, consists of cuisines known and appreciated by a select few—between five and eight percent of adult Americans have tried these cuisines at restaurants. Consumers who have not been exposed to these foods probably do not know much about them and may not know what ingredients are used in them or how they are prepared. Consequently, these ethnic cuisines are not likely to appeal to the mass market without a great deal of consumer education.

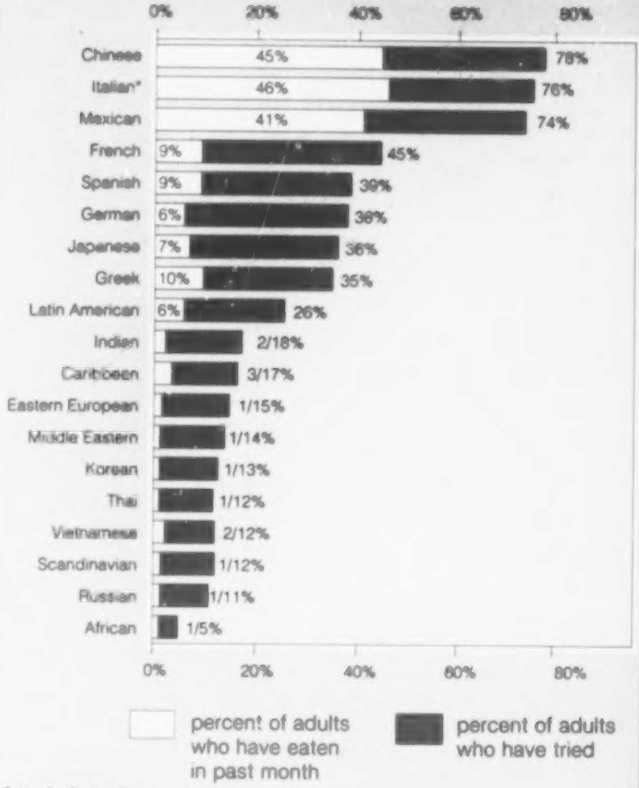
Market potential

So where does the market for ethnic foods lie? A good indication of the potential market for each cuisine can be determined by examining those individuals who say they want to try a particular ethnic cuisine in the future.

The three "traditional" ethnic cuisines stay out in front in terms of market potential—Italian (73 percent of adults), Chinese (62 percent) and Mexican (59 percent). Of particular note, however, is the differentiation that occurs in the second tier of ethnic foods. French, German and Spanish dishes have more market potential than other foods in the category, because of the large number of individuals who have never tried these cuisines but indicate they would like to do so. These cuisines derive from Western European cultures with which Americans are generally more fa-

Popularity of ethnic food at restaurants

Chinese, Italian and Mexican foods top the list of ethnic favorites



* excluding pizza

Source: National Restaurant Association, *The Market for Ethnic Foods, 1989*

What's the most popular ethnic food for takeout?

Chinese tops the list of ethnic takeout foods, with more than 25 percent of the adult population ordering Chinese food for takeout in the month prior to the survey. Italian and Mexican cuisines follow, with 16 to 17 percent of adults reporting they had purchased these foods for takeout in the previous month.

Although ethnic foods are eaten much more frequently on-premises rather than off-premises, the ones with a relatively high proportion of takeout offer dishes that can be packaged efficiently and are easy for consumers to transport.

miliar, which gives these foods an edge with consumers. Consequently, the portion of the market belonging to French, German and Spanish restaurants can grow in the future.

Consumer attitudes

Despite the market potential for ethnic cuisines, the ultimate success and consumer appeal for restaurants that offer ethnic foods depends on the same factors as for any other type of restaurant—food, service, atmosphere and value. For example, respondents to the association survey believe that menu prices in ethnic restaurants are on a par with American restaurants. Less than one out of every four adults agrees that ethnic restaurants offer consumers more value for their money, compared to restaurants offering other types of foods. Consequently, the notion that ethnic restaurants are relatively inexpensive is no longer widely accepted.

In addition, survey results indicate that ethnic-food consumption could well increase if restaurant operators provided better explanation of ethnic dishes. Two-thirds of all adults agree that ethnic foods should be described better and more accurately on menus. It is especially notable that 25 to 54-year-olds—the prime ethnic customers—are the most likely to agree with the need for better menu descriptions of ethnic foods. Accordingly, restaurant operators—in their menu designs, table signs and waitstaff training—need to emphasize consumer information strategies so that informed decisions about ethnic foods can be made.

As new ethnic restaurants develop, more attention is also likely to be placed on strategies to attract children. Slightly more than half of all respondents believe that children do not like to eat in ethnic restaurants as much as adults do, and regular-ethnic-cuisine consumers are even more likely to agree. Since children tend to influence the decisionmaking process of adults in a household, strategies are needed to encourage children to experiment with or become better acquainted with ethnic foods. For instance, restaurant operators could make special children's items available on the menu.

Thus a moderately priced ethnic restaurant with a casual atmosphere, informative menus and waitstaff, quality food, and value for the money will attract customers whether the cuisine is Italian, French or Spanish. About half of all adults indicate that they would eat more ethnic foods in restaurants if such foods were available, with a similar proportion looking for more ethnic dishes at moderately priced restaurants. As a result, ethnic cuisines and restaurants will likely be a continuing growth area for the restaurant industry, with widespread expansion less in new and exotic ethnic cuisines than among more traditional ethnic foods.

—*Hudson Riehle*

The market for ethnic foods at restaurants

A significant proportion of the population is willing to try ethnic dishes

Rank	Ethnic food	Share of market	Percent of adult population
1.	**Italian**		
	Regular customers*	57	42
	Irregular customers**	29	21
	Future customers***	14	10
		100%	73%
2.	**Chinese**		
	Regular customers*	64	40
	Irregular customers**	31	19
	Future customers***	5	3
		100%	62%
3.	**Mexican**		
	Regular customers*	58	34
	Irregular customers**	32	19
	Future customers***	10	6
		100%	59%
4.	**French**		
	Regular customers*	16	7
	Irregular customers**	50	22
	Future customers***	34	15
		100%	44%
5.	**Spanish**		
	Regular customers*	23	8
	Irregular customers**	41	14
	Future customers***	35	12
		100%	34%

* *Regular customer = consumer who has eaten specific ethnic food at a restaurant in the past month prior to survey and who plans to do so in the future*

** *Irregular customer = consumer who has eaten specific food in past but not in past month and who will try food in future*

*** *Future customer = consumer who has not eaten specific food in past but will try in future*

Source: National Restaurant Association, *The Market for Ethnic Foods*, 1989

Who eats ethnic?

Consumers most likely to have tried the three top-ranking ethnic cuisines include:

Chinese

☐ 18 to 54-year-olds

☐ Households with incomes of $25,000 plus

☐ Residents of metropolitan areas with a population greater than one million

Italian

☐ 18 to 34-year olds

☐ Households with incomes of $35,000 plus

☐ Residents of metropolitan areas with a population greater than one million

Mexican

☐ 25 to 54-year-olds

☐ Households with incomes of $25,000 plus

☐ Residents of metropolitan areas with a population under 250,000.

To order the ethnic study

The Market for Ethnic Foods is available to association members for $27.50 and to nonmembers for $55 (overseas orders require a 20 percent surcharge). All orders must be prepaid.

Send a check or money order to the National Restaurant Association Publications Department, 1200 Seventeenth St., N.W., Washington DC 20036. For credit-card orders, call the association's Information Service and Library at 1-800-424-5156 or (202) 331-5960 in Washington DC.

What's being done about child care

The number of women in childbearing years in the labor force is projected to reach 44.8 million by 2000—a 12 percent increase from 1988. This means that child care will become an even more sought-after benefit, giving employers who offer it a competitive edge in attracting and retaining female employees.

Having young children today certainly does not appear to be the deterrent to working it once was. In fact, the labor-force participation rate of all women in 1988 was 57 percent, only one percentage point higher than that of working mothers with children less than 6 years old.

This represents a substantial increase from the beginning of the 1980s, when the labor-participation rate for women with children under 6 was 47 percent.

Even women with newborns are in the labor force more than ever before. According to the Bureau of the Census, in June 1987 more than one-half (51 percent) of women 18 to 44 years old who had had a child in the preceding 12 months were in the labor force. This represents a sizable increase from 1976—when the figure was only 31 percent.

More working women of childbearing years

Not only are there more mothers working, but also there are more prospective mothers in their child-bearing years (16 to 44 years old) in the workforce. According to the Bureau of Labor Statistics (BLS), in 1988 there were 39.9 million women between the ages of 16 and 44 in the labor force or 73 percent of all women. By 2000, the number of women of childbearing years in the labor force is projected to reach 44.8 million, a 12 percent increase over 1988.

Moreover, women are having children later in life, and there are bound to be more births as women who have postponed having a child have begun to do so. For instance, according to the Bureau of the Census, in 1975 only 33 percent of childless wives between the ages of 30 and 34 were expecting a future birth. By 1988 that number had jumped to 54 percent.

With so many current and prospective mothers working, all employers are affected by the child-care issue; but it is particularly important in foodservice, because the majority of employees in the industry are women. More than 60 percent of the 5.7 million workers in foodservice occupations in 1988 were women, and 40 percent were women in their childbearing years.

What's the state of child care?

With more mothers of young children in the labor force, there is a growing demand for comprehensive child-care services, which few employers provide.

What are the child-care arrangements for children of working mothers? According to the Bureau of the Census, in 1985 (the most recent year for which data were available) the largest proportion of children under 5 years old with a working mother spent their time in another home—37 percent. The second-most-popular arrangement was in the child's own home—31 percent.

However, an increasingly popular alternative is organized daycare. Five years ago, almost one-fourth (23 percent) of all working mothers with children under 5 used organized daycare—up dramatically from 13 percent in 1977. Not surprisingly, working women with children older than 3 were much more likely to use organized daycare than working mothers with infants.

Other alternatives cited in the survey include the mother caring for her child while she works either at home or away from home (8 percent) or placing the child in kindergarten/grade school (1 percent).

Child-care benefits

Despite the apparent need for child care, a BLS study shows that employer-subsidized child care was available to just 4 percent of employees in 1988. Moreover, the percentage of employees eligible for employer assistance for child care was even lower for production and service employees—only 2 percent. Child-care benefits were limited to employer-subsidized facilities or full or partial reimbursement for the cost of caring for a

Child-care-related benefits

There are a variety of child-care options to choose from.

Child-care services

☐ On or near-site daycare center
☐ Consortium child-care center
☐ Network of family daycare homes
☐ Before and after-school programs
☐ "Nurturing hotlines" for school-age children
☐ Summer day camp
☐ Sick-child-care infirmary
☐ In-home nursing service for sick children

Easing time constraints

☐ Flextime
☐ Part-time work
☐ Job sharing
☐ Summer hours
☐ Work at home
☐ Sick-child-care leave
☐ Extended maternity and paternity leave
☐ Parental leave, including adoptive parents
☐ Personal family time

Offering financial assistance

☐ Discounts on local community programs
☐ Voucher (direct subsidy) programs
☐ Comprehensive cafeteria plans with a dependent-care* assistance plan
☐ Flexible spending account with salary deduction for dependent care
☐ Adoption benefits
☐ Tuition assistance

**Dependent care includes care of children, older parents and handicapped dependents*

Source: The Conference Board

Profile of child-care benefits provided by size of company

Very few retail establishments provide employer-sponsored daycare

	Percent providing			
	Employer-sponsored daycare	Assistance with child-care expenses	Child-care information and referral services	Counseling services
Total				
10 to 49 employees	1.9	2.4	4.3	3.8
50 to 249 employees	2.2	4.7	6.3	7.6
250 employees or more	5.2	8.9	14.0	17.1
Trade				
10 to 49 employees	0.0	2.2	3.9	2.6
50 to 249 employees	0.4	2.5	3.6	4.4
250 employees or more	0.5	4.6	11.9	11.9

Source: Bureau of Labor Statistics

child in a nursery, in a daycare center or by a babysitter.

Another BLS study takes a broader view, including situations where employers did not subsidize facilities or provided only information and referral services. This nationwide survey was conducted in 1987 among 10,000 business establishments and government agencies that had at least 10 employees. These employers were asked questions about such direct benefits as employer-sponsored daycare, referral services and assistance with child-care expenses as well as indirect benefits, including flextime, job sharing and working at home. The results show:

☐ Approximately 11 percent* of all establishments reported that they provided at least some employees with direct child-care benefits. However, the retail sector lagged behind other industries, with only 7 percent of establishments providing some type of direct child-care benefits.

☐ In contrast, retailers fared much better when it came to providing work-schedule policies aiding child care—although not all these policies were initiated with child care in mind. Almost three-fourths of retail establishments (72 percent) provided flextime, flexible leave, voluntary shifts or part-time work schedules, as compared to 61 percent for all establishments.

☐ Child-care benefits vary by the size of establishment. Relatively few retail establishments with fewer than 50 employees offered any benefits: None of those surveyed offered employer-sponsored daycare; 2 percent gave financial assistance and 6 percent provided information, referral or counseling services (or a combination of these). By comparison, 5 percent of trade establishments with at least 250 employees sponsored daycare or provided financial assistance toward it, and 24 percent provided information, referral, or counseling services (or a combination).

☐ Two major reasons employers seldom provide daycare centers are cost and legal liability. An employer has to determine that a daycare center will sufficiently increase productivity (reducing absenteeism, boosting morale, improving recruitment and retention, etc.) to offset its cost.

A 1989 survey conducted by the National Restaurant Association augments some of the BLS data. It shows that foodservice employers are especially competitive in the provision of indirect benefits: Most restaurant employers said they provided flexible work schedules. Among employers with sales of less than $1 million, about six in 10 provided flexible work schedules to salaried employees, and eight in 10 did so for hourly workers. Moreover, nearly all employers reported that they allowed employees to take time off for a sick parent or child. Although few had a formal policy for such leave, approximately nine out of 10 restaurant employers allowed workers to take this type of time off. This is generous when compared to other industries.

However, less than 2 percent of those surveyed actually provided employer-subsidized child-care benefits to hourly and/or salaried

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**Respondents were allowed to select more than one choice.*

Americans speak out on child-care

According to a 1989 nationwide survey by the Employee Benefit Research Institute and The Gallup Organization, the vast majority of Americans favor employer involvement in child care.

The survey shows:

☐ More than seven out of 10 respondents (71 percent) indicated that employers should play a role in providing adequate child care.

☐ Fifty-three percent said employers should play the primary role. Only 35 percent favored the government. One out of 10 said the government and employers should play equal roles.

☐ Of those respondents favoring employer involvement, 60 percent would want the employer to offer child-care benefits, even if the cost of the benefits led to a reduction elsewhere in the wage/benefit package. Males were significantly more likely than females to express this opinion.

☐ Three out of five respondents supporting employer involvement showed a clear preference for on or near-site child-care centers, 26 percent indicated a preference for financial child-care assistance and 12 percent favored information and referral services.

☐ Women were significantly more likely to prefer on or near-site child-care centers, while males favored financial assistance or information and referral services.

☐ Nearly two-thirds of the respondents favoring employer involvement believed the level of employer assistance should not be income related.

employees. For those companies:

☐ employees were eligible to participate immediately after starting work.

☐ most required no minimum number of hours worked per week to participate.

☐ more than half of those with child care provided a child-care facility, and the others provided reimbursement for expenses, a child-care referral service or other benefits.

☐ more than half instituted their child-care plans in 1988 or 1989.

High child-care costs

According to a 1989 survey conducted by Louis Harris and Associates for Philip Morris, the average child-care cost per child under 6 years old is $190 per month or $2,280 per year. Average monthly costs fall into a broad range from $142 to $332 per month, primarily determined by the income and geographic location of the parent(s).

Another study, conducted by the Conference Board, shows that the cost of daycare is higher for a child 4 or younger. This study concluded that working parents spent an average of $3,000 per year on child-care services in 1989.

Demographics point to a continued upsurge in the need for child-care services. Moreover, the association's "Foodservice Employment 2000" symposium identified child-care as a critical component for employers seeking to attract women to work in the industry. And given the cost of hiring and training new employees, employer provision of child care is likely to be a prudent long-term investment.

—Elizabeth Gordon

Holidays bring in customers

Here is an update on 12 of the most popular U.S. holidays for eating out, with demographic data.

Since food is often part of a celebration, it is not surprising that many consumers patronize restaurants on holidays and special occasions. To update the National Restaurant Association's 1987 Gallup Survey on holiday dining, the association surveyed 1,000 adults in September 1989 to determine whether they had eaten at a restaurant in the previous 12 months on any of the following: their birthday, New Year's Eve, New Year's Day, Valentine's Day, St. Patrick's Day, Easter, Secretaries' Day, Mother's Day, Father's Day, Grandparents' Day, Thanksgiving and/or Christmas.

Birthdays are top restaurant holiday

Although birthdays are not considered to be "holidays" in the literal sense, they do commemorate a special occasion, and customers usually opt to celebrate—often at a restaurant. As was true in the 1987 Gallup survey, in 1989 birthdays were the most frequently cited holiday for eating out. Nearly half of all adults—47 percent—ate out on their birthdays.

According to the survey, women are more likely than men—52 percent compared with 42 percent—to go to a restaurant on their birthdays. Adults between 50 and 64 years of age were slightly less likely than other age groups to dine out: Four out of 10 of these consumers ate at a restaurant on their birthdays. In comparison, 50 percent of 18 to 24-year-olds, 48 percent of 25 to 34-year-olds, 50 percent of 35 to 49-year-olds and 47 percent of those 65 years old or older ate out on their birthdays.

Although married and single individuals ate out in similar proportions on their birthdays, people living in two-person households showed a slightly higher incidence of birthday dining than did those living alone—52 percent compared with 43 percent. Dining out on birthdays seems to increase as educational attainment and household income increase.

Individuals living in the Midwest reported the highest incidence of birthday restaurant dining—50 percent—while those living in the South reported the lowest incidence—44 percent.

Dining out with mom and dad

After birthdays, Mother's Day and Father's Day are the next-most-popular restaurant holidays. Thirty-nine percent of people ate at a restaurant on Mother's Day, and 24 percent ate out on Father's Day.

According to survey results, these holidays tend to be more family-oriented days, as the proportion of the respondents reporting having eaten out on these days increased with household size. Households of five or more people reported the highest incidence of restaurant dining on both of these days.

The other principal variable is geographic location. Those people living in the South (46 percent) and West (46 percent) were more likely to eat out on Mother's Day than those living in the East (35 percent) and the Midwest (33 percent). A similar pattern emerges for dining out on Father's Day. Those living in the South (28 percent) and West (26 percent) showed more tendency to eat out than those living in the East (20 percent) or Midwest (23 percent).

There was little variation in eating out for either Mother's or Father's Day on the basis of age, education or income.

A day for romance

The only other holiday on which more than one out of five consumers ate at a restaurant in 1989 was Valentine's Day. Twenty-two percent of adults said they had done so. Both men and women were nearly equal in saying they had eaten out on that day, but Valentine's Day was more clearly a restaurant holiday for those between 18 and 34 years of age. The likelihood of eating out on Valentine's Day declines with age.

Although Valentine's Day may be considered a day for couples, it is interesting to note that adults living in a household of five or more individuals were more likely than those living in smaller households to eat out on Valentine's Day.

Valentine's Day diners are also more likely to be well-educated and affluent. College graduates were the most likely to eat out on February 14—28 percent—compared with 20 percent of high school grads and 13 percent of those with less than a high school diploma. In addition, 31 percent of those with an income of $40,000 a year or more ate out on Valentine's Day, compared with 16 percent of those earning less than $20,000 a year.

Other holidays

There were four other holidays on which at least 10 percent of adults reported eating out.

Top-ranking* holidays for eating out, 1987 and 1989

Birthdays remain the most popular restaurant holiday

Holiday/occasion	1987 rank	1989 rank	1989 percent dining out
Your birthday	1	1	47%
Mother's Day	2	2	39
Father's Day	4	3	24
Valentine's Day	3	4	22
Easter	6	5	16
New Year's Eve	5	6	13
St. Patrick's Day	9	7	10
Thanksgiving	7	8	10
New Year's Day	8	9	8
Secretaries' Day	11	10	8
Christmas Day	10	11	6
Grandparents' Day	12	12	5

**in terms of percent of adults reporting they ate a meal at a restaurant in the past 12 months*

Source: National Restaurant Association Gallup Survey

□ *Easter.* Sixteen percent of adults celebrate Easter at a restaurant. Smaller households of one or two people were more likely than those with three or more people to eat out on Easter.

Unmarried individuals were also more apt than married patrons to patronize a restaurant on Easter—19 percent, compared with 14 percent; and those 18 to 24 years old and those 65 years old and older were more likely to eat out on Easter than those between 25 and 64 years of age. Income and educational attainment do not appear to influence whether a consumer dines out on Easter. People living in the South were the most likely to eat out on Easter (19 percent), while those living in the East were the least likely to do so (13 percent).

□ *New Year's Eve.* The lure of parties and at-home celebrations is not enough to keep 13 percent of adults from eating out on New Year's Eve. Men and women are about equally likely to eat out before ringing in the New Year. The likelihood of eating out on New Year's Eve decreases with age: Slightly more than 15 percent of 18 to 24-year-olds ate out on New Year's Eve, compared with 11 percent of 50 to 64-year-olds and 12 percent of adults 65 and older.

Married adults were as likely as singles to go to a restaurant on New Year's Eve, but those living alone were much less likely to go out than those in larger households—8 percent, compared with 13 percent or more. Those with less than a high school degree and those earning less than $20,000 a year were less likely than more educated, more affluent individuals to dine out on December 31.

□ *St. Patrick's Day.* Dining out on the "wearing o' the green" was more popular among men than women—12 percent versus 9 percent.

Folks venturing out on St. Paddy's Day are more likely to be between 18 and 24 years old (15 percent), single (12 percent), and earning between $20,000 and $29,999 a year (16 percent).

□ *Thanksgiving.* One out of 10 adults ate out on Thanksgiving, and the demographics of restaurant visitors on this holiday is similar to that found on Easter. Because Thanksgiving is a day traditionally spent with one's family, it is not surprising that unmarried individuals (16 percent) and those living alone (20 percent) were more likely than married persons (7 percent) and those living in larger households (11 percent) to eat at a restaurant on Thanksgiving. Other likely patrons were 18 to 24-year-olds, seniors 65 plus and those earning less than $30,000 a year.

Lesser restaurant holidays

New Year's Day (8 percent), Secretaries' Day (8 percent), Christmas (6 percent) and Grandparents' Day (5 percent) were holidays on which fewer than one out of 10 adults patronized a restaurant.

□ *New Year's Day.* Singles and those under 25 and over 65 years of age were the most likely to visit a restaurant on New Year's Day. Men were a little more likely than women to venture to a restaurant on the first day of the year—10 percent compared with 6 percent. There was little difference in restaurant patrons on January 1 in regard to income, education or geographic location.

□ *Secretaries' Day.* Although adults under 35 years of age are typically more likely to eat out than those older than 35, they are significantly less likely to do so on Secretaries' Day. Men and women showed nearly equal likelihood to eat out on this day. Those with a college education, those with an annual income of $40,000 or more and those with an income between $20,000 and $29,999 a year were most likely to do so.

□ *Christmas Day.* Christmas was the second-least-popular holiday on which customers patronized a restaurant. As was true with Easter and Thanksgiving, those under 25, 65 and older, living alone and single were more likely than other people to have eaten out on Christmas.

□ *Grandparents' Day.* Grandparents' Day was the least popular restaurant holiday, with only one in 20 adults celebrating the day by going out to eat. Not surprisingly, adults 65 and older were most likely to eat out on Grandparents' Day—nearly 11 percent reported they had done so. Those living in the East (6 percent) and South (8 percent) were more likely to eat out on Grandparents' Day than those living in the Midwest and West (4 percent each).

—Nancy Michalski

Foodservice Market Measure Nov./Dec. 89

In the closing months of 1989 a slightly smaller percentage of adults were foodservice patrons than one year earlier. According to the Foodservice Market Measure in 1989, 43 percent of adults were patrons on a typical day in November and 42 percent were patrons on a typical December day. This compares to 44 percent in November and 45 percent in December 1988.

This slight decline can be attributed entirely to restaurant meals and snacks purchased for on-premises consumption. Overall, the proportion of adults eating on premises was 24 percent on a typical day in November and 25 percent in December 1989. A year earlier the proportion of adults eating on premises had been 28 percent for each month.

The meal period responsible for the on-premises decline is lunch. Although the proportion of adults who ate breakfast and dinner on premises was virtually unchanged from 1988 to 1989, the proportion eating lunch at a restaurant was down slightly—from 14 percent on a typical day in November 1988 and 16 percent in December 1988 to 11 percent in November 1989 and 13 percent in December 1989.

In contrast to on-premises business, the takeout sector finished out last year even with or slightly ahead of 1988. Twenty percent got takeout on a typical day in November and 18 percent did so in December 1989, compared to 18 percent in November 1988 and 19 percent in December 1988.

Quarterly review

The proportion of adults eating on premises posted a significant 3 percentage-point decline from fall 1988 to fall 1989. At the same time, the proportion of adults who purchased takeout food was up a significant 3 percentage points.

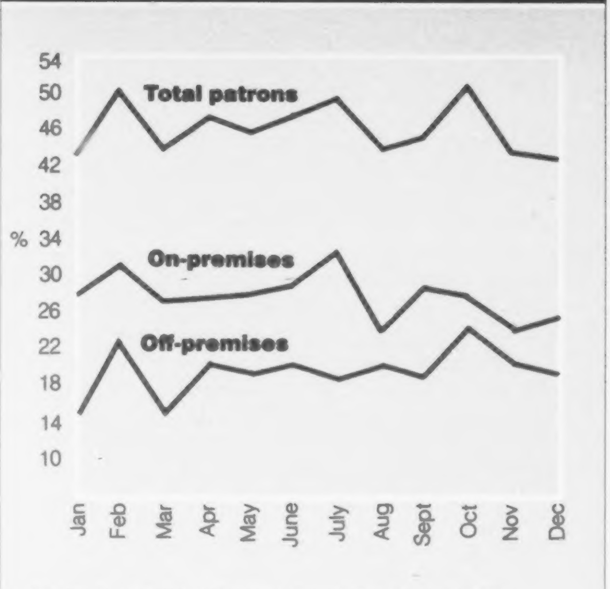
Overall, there has been no significant quarterly variation in the proportion of adults who are foodservice patrons since the Market Measure began tracking patronage in summer 1988. Nevertheless, some interesting demographic differences are evident.

Although men are significantly more likely than women to be patrons for on-premises meals, this is not necessarily the case for takeout. Overall, 51 percent of men and 42 percent of women were foodservice patrons on a typical day in fall 1989. Thirty-one percent of men ate on premises, compared to a significantly smaller 23 percent of women. When it comes to takeout, 22 percent of men and 20 percent of women were customers on a typical day.

Among younger adults, a larger proportion are takeout patrons, compared to those who eat on premises. The reverse is the case for those 50 years of age and older.

—*Susan Mills*

Percent of adults who were foodservice patrons in 1989



Source: National Restaurant Association Gallup Survey

Percent of adults who were foodservice patrons on a typical day in fall 1989, by age

Age	On-premises patronage	Off-premises patronage
18 to 24 yrs. old	27%	35%
25 to 34 yrs. old	26	27
35 to 49 yrs. old	27	24
50 to 64 yrs. old	30	9
65 and older	23	9

Source: National Restaurant Association Gallup Survey

Percent of men and women who were foodservice patrons on a typical day

	Men				Women			
	Summer 1988	Fall 1988	Summer 1989	Fall 1989	Summer 1988	Fall 1988	Summer 1989	Fall 1989
Overall patronage	50%	50%	52%	51%	41%	39%	42%	42%
On-premises	34	33	31	31	27	26	26	23
Off-premises	19	20	22	22	15	15	17	20

Source: National Restaurant Association Gallup Survey

Foodservice Market Measure

The Foodservice Market Measure is based on 1,000 telephone interviews, conducted by the Gallup Organization each month, with a nationally representative sample of adults age 18 and older. Each person is asked the same questions:

1. Which of the following did you do yesterday?

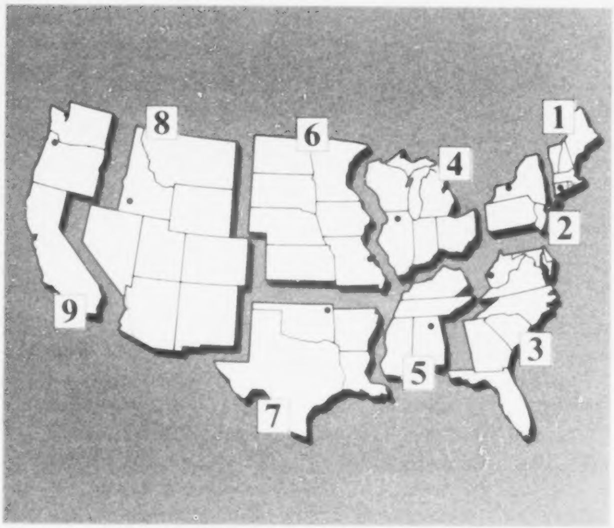
☐ Ate on the premises of a restaurant, fast food place, cafeteria or any other place where you purchased a meal or snack,

☐ Purchased takeout food "to go" or had it delivered.

2. Was the food you ate on premises yesterday for breakfast, lunch, dinner or a snack?

3. Was the takeout food you purchased or had delivered for breakfast, lunch, dinner or a snack?

The monthly tracking of purchases is supplemented by quarterly inquiries on topics of industry interest.



1 NEW ENGLAND

Location: Waterbury, CT
Association members: Thomas Eric Walshe, David Walshe
Operation: Drescher's Restaurant
Profile: Casual fine dining
In business: 122 years
Seats: 172 people
Meals served: Lunch, dinner

The present Drescher's is in the same building as when it was first opened in 1868—but at a different location. In 1982 the building was transported to downtown Waterbury.

Many of the restaurant's furnishings date back to its early days—the Tiffany lamps, the handcarved mahogany-and-oak bar and the cast-iron bulldog that was given as a gift to the original owner when his pet died. At the end of the bar there is a corked hole where there was once a gas jet used by patrons to light their cigars.

Although German dishes on the menu also recall the original German-immigrant owners, the menu is mostly American, with such specialties as *Chicken Princess*, a chicken breast stuffed with mozzarella cheese and spinach and served with a lemon/lime sauce.

Waterbury, between Hartford and Danbury, is a city of bankers and lawyers. With its location across from the courthouse, business at the restaurant is brisk at lunch. A happy hour draws in customers after work, but after 6:30 things slow down. Manager **David Walshe** expects things to pick up when renovation of a nearby theater is complete.

2 MID-ATLANTIC

Location: Rochester, NY
Association member: Lori Gray
Operation: Cafe Creme de la Creme
Profile: Cafe specializing in pastries
In business: 3 years
Seats: 150
Meals served: Lunch, dinner, afternoon tea, Sunday brunch

Pastry is the big attraction at Cafe Creme de la Creme. Customers entering the old Victorian house see two display cases filled with deserts made with fresh cream, real butter and Belgian chocolate. The cafe, located in a district of theaters and museums, is a popular after-theater spot.

The cafe does serve lunches and dinners and caters to people on special diets. There is a vegetable lasagna for vegetarians, and there are marked items on the menu sanctioned by the American Heart Association. Even diabetics can have something prepared for them, if they call ahead.

The cafe makes wedding cakes to order, specializing in the out-of-the-ordinary, such as a fruit-tart wedding cake. The owners also bake according to recipes brought in by customers.

Afternoon tea is served from 2 p.m. to 6 p.m., with two kinds available—one with cakes and scones, priced at $4.75; for $6.75, chicken salad and other kinds of sandwiches are added as well as a puff-pastry swan filled with herbed cream cheese.

The economy in Rochester is strong, and business at the Creme de la Creme has been growing. Owner **Lori Gray** credits the growth to word-of-mouth advertising.

3 SOUTH ATLANTIC

Location: Huntington, WV
Association member: Beatrice R. Reams
Operation: Upstairs Rooms & Accessory Shop, Inc.
Profile: Upscale tearoom
In business: 15 years
Seats: 40
Meals served: Lunch; dinner for private parties

Two upstairs rooms over the gift shop owned by **Bea Reams** can accommodate two private parties of 20 each, or one large party. On days when the rooms are not fully booked, the tearoom is open to the public—but by reservation only.

Customers at lunch are usually older women. They want things done right, says Reams, who prides herself on good food that looks pretty.

A typical luncheon party could include Chicken a la Queen served in tart shells; extra-large chunks of chicken and a sauce with pimentos and bell peppers distinguish it from the "kingly" version.

West Virginia's economy is slow; the state has one of the highest unemployment rates in the country, and young people are leaving. Reams reports that her business is good, but nothing like it was 10 years ago.

4 EAST NORTH CENTRAL

Location: Rockford, IL
Association member: Joel Kaplan
Operation: Jungle Jim's
Profile: Fine dining
In business: 12 years
Seats: 225
Meals served: Lunch, dinner

The name Jungle Jim's was more appropriate 10 years ago, when the restaurant was casual. Today it is a white-tablecloth establishment, with a New Orleans theme, and only a collection of stuffed animals remains from the old days. A raw bar serves shrimp and oysters, and popular entrees include jambalaya, blackened fish, chicken breasts and steaks. The signature item is *Sweet Bourbon Filet*, shrimp sauteed in bourbon, lightly flambeed and served on a filet.

The touch-of-New Orleans decor includes a metal ceiling, ornate light fixtures, stained-glass wall decorations, a white octagon-tile floor and an antique mahogany bar.

Business at the restaurant has been growing for the seven years it has been owned by **Joel Kaplan.** Kaplan estimates that his business grew 11 percent last year. But since some of Rockford's industries depend on the auto industry, there is concern about the future.

5 EAST SOUTH CENTRAL

Location: Guntersville, AL
Association members: George Kappler, Theo Paul
Operation: The Glover
Profile: Fine dining
In business: 15 months
Seats: 100 indoors, 100 outdoors in courtyard
Meals served: Lunch, dinner, Sunday brunch

When **Theo Paul** became chef/manager of The Glover, he soon realized that the people in that part of the South did not have exactly the same tastes as people in New York City, Europe or Puerto Rico—places where he had worked before. They liked basic Southern foods, and many perceived an upscale fine-dining restaurant as being too expensive and too intimidating.

The Glover responded by lowering the average price of entrees and putting more traditional items on the menu, like barbecued ribs every Thursday night. But ironically, the most popular item is the most expensive—a filet mignon with sauteed jumbo shrimp and a garlic-and-cream sauce. The restaurant sells a lot of moderately priced wine. Although business has been on an upward trend, Paul is continuing his search for the perfect menu mix.

6 WEST NORTH CENTRAL

Location: St. Louis, MO
Association member: Vincent J. Cunnetto
Operation: Cunnetto House of Pasta
Profile: Midscale Italian restaurant
In business: 15 years
Seats: 160
Meals served: Lunch, dinner

St. Louis is a wonderful restaurant town, says **Vincent Cunnetto,** owner of Cunnetto House of Pasta, adding he's never seen so many restaurants open as in the last 10 years. His restaurant was one of the first to specialize in pasta. Now there are many. "I have to keep a step ahead," he says. He must be succeeding—business is up 5 percent over last year.

Located in the city's Italian section, known as The Hill, Cunnetto's attracts business people during the week and locals on the weekend. The menu features 25 different kinds of pasta—most available with a choice of sauce. The best seller is linguini with clams, crabs and shrimp in a light butter-and-garlic sauce. A selection of low-cholesterol, no-salt pastas is also very popular.

7 WEST SOUTH CENTRAL

Location: Vinita, OK
Association members: Tom and Linda Clanton
Operation: Clanton's Cafe
Profile: Casual cafe
In business: 63 years
Seats: 90
Meals served: Breakfast, lunch, dinner

Customers at Clanton's Cafe include not only locals but also people from Tulsa, 60 miles south, or from the corners of Arkansas and Missouri. Many of the out-of-towners own summer homes in the lake resort area. Other customers are those who turn off the turnpike in search of something other than fast food. The depressed economy of the surrounding farm country has affected business. "But we're hanging on," says co-owner **Linda Clanton.** "We'd like it to be better, but it could be worse."

The cafe sells a lot of hamburgers and cheeseburgers, but the regulars like the daily specials. One special, the chicken-fried steak, had a write-up in the *New York Times*. The Clantons recently tried to change their specials, but the same people who had said they wanted something different kept ordering the old specials instead.

8 MOUNTAIN

Location: Garden Valley, ID
Association members: Rolla and Ardis Briggs
Operation: Briggs Country Inn
Profile: Midscale fullservice
In business: 4 years
Seats: 40
Meals served: Breakfast, lunch, dinner

Set in a timbered valley with mountains in the background, near the place where two forks of the Payette River meet, Garden Valley is a spot for snowmobiling, cross-country skiing and watching the deer and elk who come down to the lower elevations in the winter. This year, though, there's been the smallest amount of snow ever recorded, and people from Boise, 50 miles north, who own second homes in the area, have failed to come. Business at Briggs Country Inn has fallen off accordingly.

The inn is a log building with four large windows so customers can enjoy the scenery while they eat. Blue carpeting and blue tablecloths, natural wood walls and a high-beamed ceiling surprise first-timers who expect a more rustic atmosphere.

Popular menu choices at the inn are an open-face vegetarian sandwich. Hoagies and homemade pizza.

9 PACIFIC

Location: Portland, OR
Association member: Steven Turnsen
Operation: Produce Row Cafe
Profile: Casual cafe
In business: 10 years
Seats: 75, plus 75 in beer garden in nice weather
Meals served: Lunch menu until midnight

A location in a lively part of town and an extensive beer selection attract customers to Produce Row Cafe. Twenty-seven beers are on tap and 200 more are available in bottles, including imports and beers from microbreweries. The cafe is situated in the produce-market section of a light-industrial area, across the river and two minutes away from the main business section of Portland.

The menu features casual food—sandwiches, salads and a daily homemade soup—served from lunch until midnight.

Business has been steady, reports co-owner and managing partner **Steven Turnsen,** although profits were cut when the cafe closed for a couple of weeks for remodeling.

—Julie Fintel

Avoiding the taco nightmare

Taco-lovers dread it; dry cleaners love it—the taco explosion. After carefully constructing the perfect taco—artfully packed with layers of meat, cheese, vegetables and salsa—one bite shatters the shell and gobs of filling drop onto the diner's lap.

But soon there may be an end to this taco nightmare. A new contraption, the Taco Holder, created by a Canadian inventor, has become available for licensing in the United States. The device, which holds a taco shell upright for loading and holding between bites, is still in the prototype stage, but keep an eye open for it. If it does come on the market, it will surely be an answer for consumers tired of wearing their tacos.

—The Invention Submission Corporation

All for one—one for all

They could become known as the Three Musketeers of the restaurant business. Their story is as dramatic, heartwarming, irresistible—and unlikely—as a novel.

Triplet boys, born in July 1961, were adopted by three families in the New York City area. The boys grew up happy and healthy—but unaware that they were originally part of a threesome. Then in 1979 one of the triplets, Bob, registered at a community college just outside the city. People kept calling him Eddy—the name of a former student who looked just like him. A curious friend of Eddy's brought the two together. The reuniting of the brothers was such a great story that it was written up in a local newspaper. It's not hard to guess what happened next. The third long-lost brother, Dave, read the story and the three were together at last.

But their story doesn't end there. As it turns out, the triplets have a lot more in common than their looks. They have the same taste in clothes, foods and activities. While making up for lost time, the triplets did everything together—including working as waiters at a Romanian steakhouse. In 1987 the brothers opened their own restaurant, called—what else—Triplets.

The rest of the story is still in the making. Triplets is a place noted for its warm, fun-filled, nostalgic atmosphere and authentic kosher food. The brothers hope to expand their business—maybe open another restaurant and go into catering. Whatever they do, it will be together.

—*The Washington Times*

Unshaken by the quake

The October 17 earthquake left hundreds of San Francisco area restaurants with considerable structural damage and loss of business, but one restaurant—Shadowbrook in Capitola—came through the quake virtually unscathed, because of extensive pre-quake planning.

In the early '80s, Shadowbrook's owners found themselves facing earthquake insurance premiums as high as $12,000 per year—more than they were willing to pay. So they decided to bypass insurance and "quakeproof" their establishment instead.

Exhaustive research by a consulting firm—which included the use of a computer model of the restaurant, soil samples and the study of nearby faults—provided them with a plan to structurally improve the restaurant so that it could withstand the enormous pressure exerted by an earthquake. Changes included strengthening the foundation, adding braces to wall studs and anchoring the water heater. These inexpensive improvements more than paid for themselves this fall. The building inspector was incredulous when he saw Shadowbrook after the quake. The only setback the restaurant suffered was food spoilage due to loss of electricity. Knowing the value of being prepared, the owners have decided to rectify the situation by installing a generator.

—*Upfront*, California Restaurant Association newsletter

Art and game in Texas

Kerrville, Texas, may just be the exotic game capitol of the United States. Or at least it will be after chef Tom Andrysiak organizes the Wild Life Expo in early March.

In the effort to rejuvenate culinary art forms, such as pastillage, tallow, marzipan and ice sculptures, Andrysiak and two other local chefs, Erwin Simmons and John Billings, are planning ambitious display items for the expo, which will be open to the public. The displays will include a life-size pastillage white-tail buck deer, with nugatine antlers, tallow bridgework and tongue, and blown-sugar eyes. They are also planning signature game dishes, such as a wild boar/venison sausage and local poached bass. There will be a 600-piece vegetable bouquet and accompaniments provided by local restaurants.

At $5 a piece, the expo is sure to attract the 700 people it can seat comfortably, but figures are likely to exceed that number as word gets out that there will be as much to feast the eyes as the palate. All proceeds will go to the Texas Lions Camp for Handicapped Children.

—Restaurants USA *interview*

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THE MAGAZINE OF THE NATIONAL RESTAURANT ASSOCIATION

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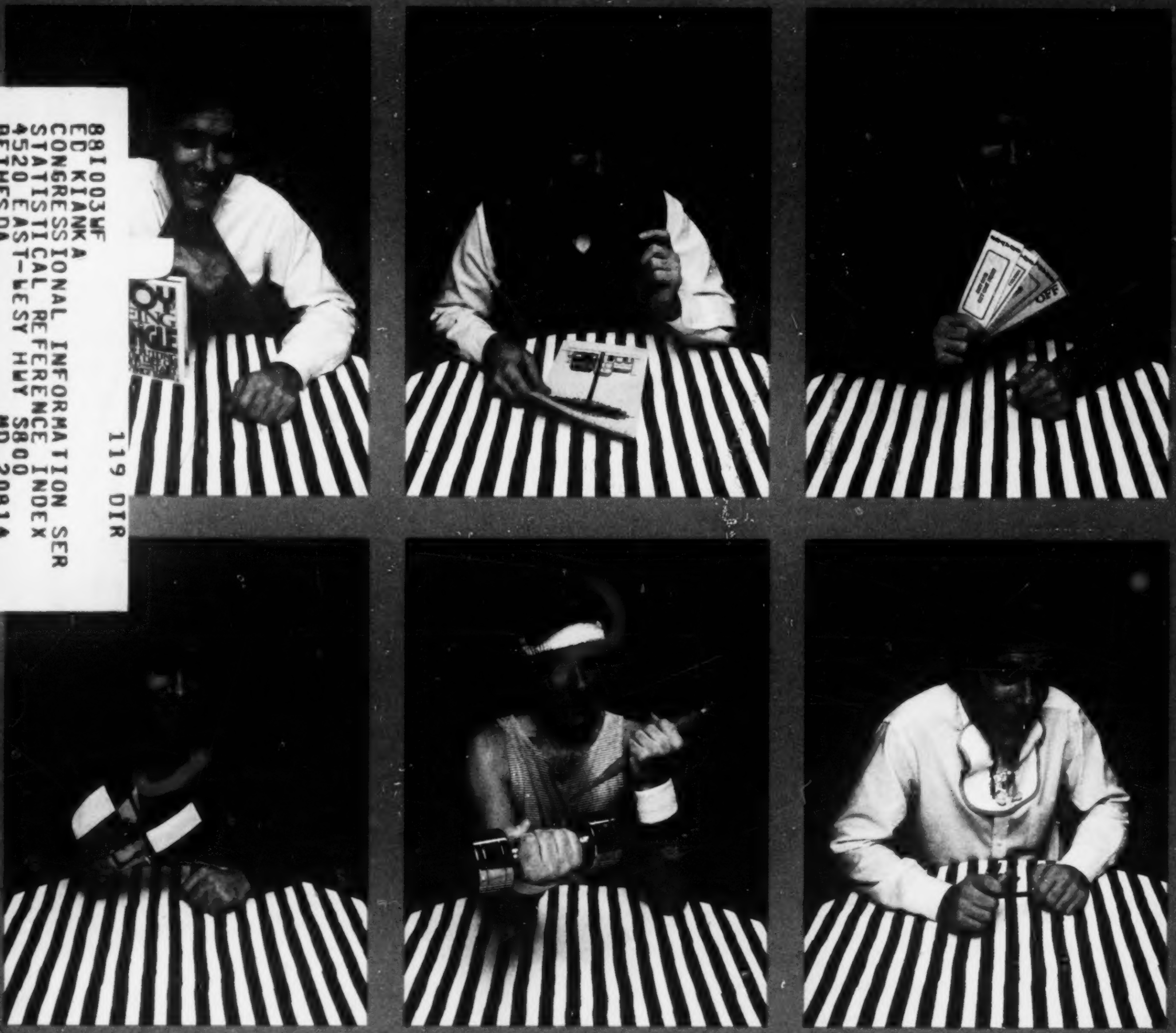

markets for the '90s

ASSOCIATION MEETINGS

SEMINARS

Basic Foodservice Courses

Dining Room Management

4/2	Atlanta, GA
4/23	Philadelphia, PA
4/25	New York, NY
5/8	Boston, MA
5/9	Portland, ME

Kitchen Management

3/19	Chicago, IL
3/20	St. Louis, MO
4/23	Atlantic City, NJ
4/25	Cincinnati, OH

Foodservice Management Courses

Banquet Management

4/23	Chicago, IL
4/24	Detroit, MI

Food Cost Management

3/20	Chicago, IL
3/21	Detroit, MI
4/3	Portland, OR
4/4	Seattle, WA
4/27	Denver, CO
5/1	Harrisburg, PA
5/2	Knoxville, TN

Franchising for Growth

3/28	Chicago, IL

Healthy Profits through Nutrition

3/26	Chicago, IL

Labor: Hiring, Training and Retaining

5/7	Tampa, FL
5/8	Miami, FL

Off-Premises Catering

3/19-20	San Diego, CA
4/23-24	Minneapolis, MN

Profitability

3/27	Chicago, IL
4/23	Boston, MA
5/8	Washington, DC
5/22	Richmond, VA

Promoting Your Restaurant

3/5	Chicago, IL

Successful Buffet Management

3/26	Boston, MA
4/2	Los Angeles, CA
4/3	San Francisco, CA
4/23	Baltimore, MD
5/22	Portland, OR
5/23	Seattle, WA

Takeout Delivers Profits

3/26	Louisville, KY
3/27	Orlando, FL
4/2	Chicago, IL

For information, contact:
Educational Foundation of the National Restaurant Association
250 South Wacker Drive
Chicago, IL 60606
(312) 715-1010 or 1-800-522-7578

If your company is interested in our in-house programs, call or write to the attention of Jeff Harrison at the above address.

Seminars scheduled during National Restaurant Association Restaurant, Hotel/Motel Show

5/19
- Applied Foodservice Sanitation
- Customer Service*
- Dining Room Management
- Food Cost Management
- Franchising for Growth
- Healthy Profits through Nutrition
- Kitchen Management*
- Labor: Hiring, Training and Retaining*
- Perfecting Your Culinary Skills
- Profitability
- Promoting Your Restaurant*
- Successful Buffet Management
- Takeout Delivers Profits

5/20
- Applied Foodservice Sanitation
- Banquet Management
- Dining Room Management*
- Food Cost Management
- Franchising for Growth*
- Healthy Profits through Nutrition*
- Kitchen Management
- Profitability
- Promoting Your Restaurant*
- Takeout Delivers Profits*

**half-day program.*

Note: *All Chicago seminars except those at the Show are held in the educational foundation's conference center at 250 South Wacker Drive.*

EXECUTIVE STUDY GROUP SERIES

Financial Officers

4/4–6	Scottsdale, AZ

Foodservice Purchasing Managers

5/17–18	Chicago, IL

Internal Auditors

4/24–27	Key West, FL

Management Information Systems

4/17–20	Nashville, TN

Marketing Executives

5/16–20	Chicago, IL

Multi-Unit Architects, Engineers and Construction Officers (MAECO)

5/16-18	Chicago, IL

Quality Assurance

4/18-20	Atlanta, GA

Tax Executives

4/4–6	Scottsdale, AZ

For more information on specific study groups, contact: Philip Kralovec, (312) 853-2525.

The Executive Study Groups present semi-annual professional development programs for executives who would like to meet with their industry peers to share ideas and concerns. Executives in each of the afore-mentioned disciplines from member foodservice companies are welcome and encouraged to participate.

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PRESIDENT'S REPORT

Harris H. "Bud" Rusitzky, President
Serv-Rite Food Service and Consulting Corporation
Pittsford, New York

Minimum-wage law holds unpleasant surprise

Restaurant owners need to be aware that the new minimum-wage law, to go into effect April 1, contains an overlooked provision that curtails what had been thought to be a full exemption for restaurants grossing less than $500,000 annually. Restaurateurs who fail to comply could be subject to a civil penalty of $1,000 per infraction plus back wages.

As written, the law exempts companies grossing less than $500,000 but not employees in those companies who are involved in interstate trade. The Department of Labor could interpret "interstate trade" broadly, including, for instance, employees who accept payment in national credit cards.

Congress originally intended a full exemption for foodservice companies grossing less than $500,000 to be part of the bill, but the intention was written out of the new law in an attempt to simplify it. Your association is planning to work for a technical correction to the bill in order to restore the exemption.

ADA update

The Americans with Disabilities Act (ADA), the proposed law that will guarantee rights to disabled persons as consumers and as employees, is presently being considered by three House committees, and there is pressure to pass the bill this year.

Although we agree with ADA's basic philosophy, we still have misgivings about how the bill is written, even though many helpful amendments were made as the bill moved through the Senate. We are urging the House Judiciary Committee to hold additional hearings on the bill to correct remaining problems.

Possible vote on parental leave

Another legislative issue that may be pushed for passage very soon is the Parental and Medical Leave Act. This bill requires employers of more than 50 workers in a 75-mile radius to give 10 weeks of parental leave every two years and 15 weeks of annual medical leave for serious illnesses.

Most restaurants cannot afford to keep an employee's job open for what could be 40 work weeks every two years. We urge our members to contact their representatives to tell them that this bill is misdirected. The way to help working parents is to formulate legislation that would make child care more available.

New book and video can help set up alcohol-awareness program

A new booklet and video can help you ensure responsible alcohol-beverage service in your restaurant—the most important step you can take to protect yourself against third-party liability suits.

Copies of the new alcohol-awareness booklet, *Help Prevent Drunk Driving—A Restaurateur's Guide*, are going out this month to all National Restaurant Association key members. Extra copies are for sale from the association's publications department.*

The association has also released a new video, *Alcohol Awareness Training for the Server: the F.A.I.R. Program*. This brings to three the number of videos your association offers for training employees in responsible alcohol service.*

**When ordering any publications, send a check or money order to the association's publications department in Washington DC, giving title and catalogue number. To order by phone on a credit card, call the association's information services department at 1-800-424-5156 or (202) 331-5900. Both postage and handling are now included in the publication price.*

Programs for training your managers

The Educational Foundation of the National Restaurant Association has two new programs aimed at raising the professional level of foodservice management.

A program called "Servsafe" trains foodservice managers to become certified in food safety. The training is available through in-house seminars or can be integrated into corporate, health-department or association training programs or school curricula.

The second program, the National Restaurant Association Management Development Diploma Program, is designed to teach foodservice managers the basic skills needed in their day-to-day operations. The course is divided into five competency areas—human resources, operations, accounting, administration and marketing.

For information about the programs, contact the educational foundation at 1-800-522-7578.

New nutrition

Americans' commitment to eating lighter and healthier is carrying over to what they order in restaurants. A new National Restaurant Association study, *Attitudes Toward Nutrition in Restaurants: Assessing the Market*, reveals that the percentage of consumers who choose nutritious items when ordering in restaurants is on the increase, while the percentage of those who are unconcerned about nutrition in restaurants is declining. The message is that restaurants should continue to add items to their menus that conform with the dietary guidelines of good health.

To learn more about how consumer attitudes on health and nutrition are affecting menu choices, order your copy of the study from the association's publications department.*

Don't miss the Show

The 71st annual National Restaurant Association Restaurant, Hotel-Motel Show takes place May 19 through May 23 at Chicago's McCormick Place. This year's Show will have more floor space, with hundreds of additional exhibits and an untold number of new products, equipment, services and ideas. Returning again will be such popular attractions as the Ice Carving Classic, the Culinary Arts Salon and the Salute to Excellence program. You can't afford to miss this very important event.

Don't forget that your National Restaurant Association membership card is not enough to get you into this year's Show. You must return the Show registration form you received in the mail in order to ensure your admission and to reserve accommodations.

Welcome new members

We extend a warm welcome to the 83 new members who joined the National Restaurant Association this month. We look forward to working with you, and we are confident that you will find that your participation in association programs will benefit both your businesses and the industry as a whole.

Sincerely,

Bud Rusitzky

Harris H. "Bud" Rusitzky
President and Chairman of the Board

RESTAURANTS USA

COVER STORY: MARKETS OF THE '90s

As competition continues to intensify, the need to fine-tune your marketing strategy is more important than ever before. And that means getting to know the customers who hold marketing promise in the new decade. This issue of ***Restaurants USA*** focuses on clout-carrying, but often-ignored, patrons.

SPECIALS

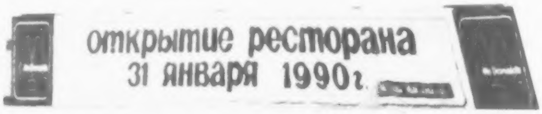
14 Table for one
Solo diners—who often express feelings of discomfort or awkwardness when they walk into a restaurant—are a market ripe for the picking.

17 Gold among the silver and gray
Senior customers are not the market you might think they are. Although the ever-growing number of older citizens in the United States share some common characteristics, they represent very different lifestyles, income levels and interests. This article offers the facts about senior Americans.

23 Viewpoint: How to discount your product
An insider's view of how discount coupons can devalue your product and sabotage your overall marketing scheme.

24 Give them a gimmick
A cow grazing on a busy New York City street? A chopped-liver sculpture of Brooke Shields? They may seem outlandish, but carefully planned creative gimmicks can help get your restaurant's name on the lips of hundreds of potential fun-loving customers.

26 When foreign markets beckon
The successful opening of Moscow McDonald's illustrates the lucrative potential of overseas markets. But before setting up shop on foreign soil, a foodservice company must check out the political, social and economic climate. Here are some guidelines.



28 Spa food ideas for health-minded guests
Now that the trend toward healthy eating seems here to stay, here are some pointers from some of the country's most sumptuous spas.

30 Eight promotions for pint-sized patrons
Kids may be small in stature, but as potential customers, their value is big indeed. These imaginative promotions attract youthful customers—and the grown-ups that hang around with them.

33 First impressions—How to market your company to prospective employees
Although managers may not think of them in such a light, prospective employees also represent a segment of the market. How you meet and greet job applicants can determine whether they decide to join your team and become your customers.

DEPARTMENTS

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- ☐ Nutrition course for foodservice managers
- ☐ Donate your obsolete equipment
- ☐ Burger King creates a club for young fans
- ☐ Making wishes come true
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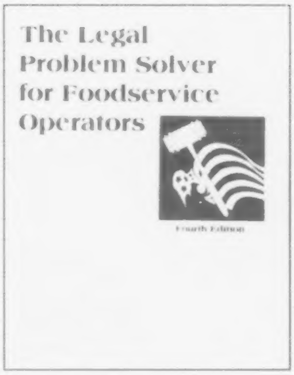
Cover photos by Gary Landsman

SHORTORDERS

Legal help for restaurateurs



Some say federal laws and regulations are written not to communicate, but to make lawyers rich. That is why the foodservice operator's most valuable reference is a relatively unknown publication called *The Legal Problem Solver.* This sleeper explains what you must do to comply with laws and regulations, such as OSHA, Equal Employment Opportunity, IRCA and countless other irksome federal mandates.

You have to be fast to keep ahead of the bureaucrats, and *The Legal Problem Solver* keeps moving. Revised completely in 1989, it has just been further updated to reflect the new minimum-wage law, changes in the Targeted Jobs Tax Credit (TJTC), changes in COBRA and repeal of the infamous Section 89.

To order your copy, call the association's publications department at 1-800-424-5156. Cost is $24.95 for members and $34.95 for nonmembers.

Nutrition course for foodservice managers

Do you want to know more about nutrition? Then consider a new course offered by the Educational Foundation of the National Restaurant Association.

Nutrition for the Foodservice Manager focuses on practical nutrition basics applicable to foodservice operations. It emphasizes topics such as: nutrition fundamentals, marketing nutrition in foodservice, menu planning and controversies in nutrition.

The course is available as an independent-study program. Those passing the final examination receive a certificate of completion from the foundation. To find out more about the program, contact the association's educational foundation at 250 South Wacker Drive, Suite 1400, Chicago, IL 60606; or call 1-800-522-7578.

NUTRITION FOR THE FOODSERVICE PROFESSIONAL

More Italian fare in Boston

***Art and history.* Inspiration for Via Veneto, the latest operation of the Frattaroli brothers in Boston's North End, includes Michelangelo as well as dishes and pizza from Italy's 20 regions. "With our menu and decor, we transport the diner through a region-by-region tour of our native country," says Filippo Frattaroli (right). Brother Donato is chef of the restaurant that includes a formal dining room, an informal cafe and two function rooms.**

Burger King creates a club for young fans

McDonald's corner on the kiddie market is coming under heavy attack from companies such as Burger King that are going after the preteen market. Burger King has rolled out a coordinated promotional campaign called Kids Club. It begins with state-of-the-art advertising (with special effects) and moves on to a membership kit; periodic, four-page, full-color newspapers; a cast of strategically positioned cartoon characters and toy giveaways, including the popular Teenage Mutant Ninja Turtles; and ends with a specially designed window bag that shows the premium items offered.

"The campaign is aimed squarely at the fastest-growing and most lucrative market segment in our business—children," says the Burger King brochure that announced the program. Since the campaign began in January, 50,000 kids have been joining every day.

Mark your calendars

Two dates to keep in mind if you are a foodservice manager:

☐ International Foodservice Executives Association's (IFSEA) Spring Leadership and International Student Conference at the Opryland Hotel, Nashville, April 8–10, and

☐ IFSEA's 89th Annual International Conference and Seminar at the Mirage Resort, Las Vegas, September 2–5.

Making wishes come true

A celebration over sundaes! **It was cause for celebration as Hartley King (center), president of Kings Family Restaurants, shared the good news that Kings had collected $33,937 for the Make-A-Wish Foundation of Western Pennsylvania. The money was raised over a six-week period at all Kings locations by employee fundraising efforts and customer contributions. Make-A-Wish fulfills the wishes of children between the ages of two and 18 who are diagnosed with a life-threatening illness.**

Joining King are, from left, Michele Atkins, executive director of Make-A-Wish; Debra Miljus and Amanda Chonko, both from Duquesne, Pennsylvania; and Tony Plassio, president of the Make-A-Wish board of directors. Six-year-old Amanda just returned from a trip to Disney World and 11-year-old Debra is awaiting a new computer. Both wishes were funded by Kings' donations.

Donate your obsolete equipment

If you have some computer hardware, software or other technology that is collecting dust in a back room, bring it out. It can pay dividends to you, and it can help people with disabilities.

The National Cristina Foundation (NCF) collects obsolete equipment and directs it free of charge to training organizations and institutions throughout the country. The equipment is used to train people with disabilities and other special needs. "We are working very hard to get computer resources to people who otherwise would not have access to this extremely valuable training tool," says NCF president Dr. Yvette Marrin.

There is a bonus for donors as well, who can receive up to 200 percent of inventory cost as a tax deduction.

To donate microcomputers; minicomputers; software; peripherals of all kinds; and video, audio and office equipment, call (914) 738-7494; 1-800-CRISTINA (42 Hillcrest Drive, Pelham Manor, NY 10803).

Burlington, Vermont

A tribute to the spirit of cooperation

In a world where all too often it is still every man (or woman) for himself, The Inn at Essex is a tribute to the spirit of cooperation. Here on the outskirts of Burlington, Vermont, the Hawk Mountain Corporation and the New England Culinary Institute (NECI) have joined forces to create a 97-room destination hotel and conference center that is becoming known for its warm service and fine food.

NECI has expanded from its Montepelier home site to The Inn at Essex to create a culinary campus where students can experience firsthand what it is like to work in the food and beverage department of a high-quality hotel. Under the direction of executive chef Robert Barral (a veteran of the Four Seasons Hotel chain and Chicago's Ritz Carlton), 73 students cook and bake in a state-of-the-art kitchen and bakery that includes a cryovac, a sheeter—a sophisticated piece of equipment that rolls out dough—and the latest ovens.

The culinary curriculum is rigorous and preparation-oriented. And the inn has avoided many of the typical opening pangs as a result. First-year students prepare meals at the inn's informal Birch Tree Cafe, while the upscale Butlers reaps the inspiration and more-practiced efforts of second-year students. Students also prepare meals for catered events, banquets and room service.

How can consistent quality be maintained with students still testing their culinary wings? A low chef-to-student ratio—seven students to one chef—is a major factor. Students not only cook under the practiced eye of a professional, but they also help create specials and shop for fresh produce and meats in Boston and Burlington.

The dishes they are turning out reflect the area's particular bounty, including apples, cider, maple syrup, lamb, organically grown greenhouse tomatoes and pork fed on ice cream manufacturer Ben & Jerry's surplus. A typical day's menu might include a warm salad of stuffed loin of lamb with balsamic vinaigrette; baked pheasant breast with shiitake mushrooms, butternut-squash puree and grilled leeks; and apple-cranberry crisp with ginger sauce.

The spirit of cooperation that brought NECI and the inn together has not stopped with the marriage of these two organizations. For example, NECI has a cooperative agreement with Blodgett, a manufacturer of foodservice equipment based in Burlington. In NECI kitchens, Blodgett installs state-of-the-art equipment—usually prototypes or newly imported pieces never before used in American kitchens—for the students to test. The school makes full use of the equipment, keeping careful performance records, and reports its findings to Blodgett. In this mutually beneficial relationship, the school gets to use exciting new equipment at no charge, and Blodgett gets free advice and feedback from culinarians.

NECI students enjoy periodic guest lectures, demonstrations and hands-on workshops with distinguished professionals. Here baker Jim Dodge (center) shares some of his secrets.

NECI also helped Food 2000, another local company, develop Chili 2000, a natural food product that combines Vermont maple syrup, apple cider and Mexican chilies. A portion of the profits is being used to feed the hungry. The Inn at Essex has sponsored events such as a recent raffle for needy children, donating its facility and prizes for the cause. And so the circle of goodwill continues!

—Sylvia Somerville

GRILLED VEGETABLE LASAGNE

Serves 8

Ingredients:

1 med. eggplant
2 zucchini
2 yellow squash
2 lbs. spinach
2 cups mushrooms (sliced)
1 large onion (chopped small)
2 cups ricotta cheese
5 eggs (omit for heart healthy)
2⅓ cups grated Parmesan
1 lb. grated mozzarella
1 qt. marinara sauce
1½ lbs. fresh egg pasta

Method:

1. Slice eggplant, zucchini and yellow squash lengthwise, approximately ¼-inch thick. Brush with olive oil, chopped garlic, salt and pepper. Grill until tender. Saute onion, mushrooms and spinach together.
2. Mix ricotta, eggs and Parmesan together and season with salt and pepper.
3. Using a pasta roller (#1 setting on roller), roll out egg-pasta dough into long rectangular shapes to fit baking pan. Pre-blanch until tender, shock in an ice-water bath and dry.
4. Line a buttered 2-inch-deep baking pan with a precooked pasta sheet.
5. Begin to layer vegetables, using one kind per layer and topping each with a thin layer of cheese mix until all vegetables and cheese are used.
6. Top with marinara and mozzarella and bake for 30 minutes covered with foil, then 15 minutes without.

—Chef Benjamin Cevelo, NECI

Editor's note: ***Restaurants USA*** is happy to send nutrient analysis of this recipe to readers at no charge.

Washington DC

A priest with a mission

Luis Lezama is a Spanish priest, familiar with doing good works and helping the needy. Unlike most priests, however, he is also a restaurateur. Lezama owns eight restaurants in Spain and recently opened an authentic Spanish restaurant, Taberna del Alabardero, in the heart of downtown Washington DC.

Lezama brought his restaurant-operation prowess to the United States with three goals: to expand his empire of successful restaurants, to show off 20th-century Spanish cuisine and culture to the world, and to continue his Christian works.

"We want to show the other face of Spain, not just the stereotype. There's more to Spanish culture than bullfights and bullfighters," says Agustin Lezama, the son of Luis Lezama* and a maitre d' at the restaurant. He is also quick to renounce the American tendency to group Spanish cuisine with Latin American food. "Our cuisine is closer to French cuisine or even Portuguese. It's very European, and of course we serve paella," says Agustin Lezama. A large dessert menu is another feature of the upscale menu, and wines and fish are imported from Spain, Portugal and France.

Other aspects of Spain's culture are represented in the restaurant's decorative tiles and plaster work. In fact, the Taberna's commitment to culture is so strong that the restaurant's opening was supported by Spain's former Minister of Commerce.

Although Luis Lezama brought about 10 workers to America from his restaurants in Madrid, Sevilla and Valencia, the Taberna has also been a supporter and beneficiary of the Gordon Center in Washington DC (see sidebar). Before the

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**Luis Lezama became a priest in 1962.*

FEEDBACK

Some regulations go too far

Dear Editor:

As a restaurant owner and operator for 32 years, I still am constantly amazed at the new regulations and codes with which restaurant owners are expected to comply. Certainly some are necessary, but others are not.

A good example of one that is not is the mandatory establishment of smoking sections in New York restaurants, required by the state's new smoking law. I have always opposed such regulations. As a matter of fact, restaurant owners nationwide have been opposing measures such as these for years.

Earlier this year, I testified before the Westchester County Board of Legislators on this issue as immediate past president of the Westchester-Rockland County chapter of the New York State Restaurant Association.

Despite our efforts, the legislation passed; and another regulation for restaurant owners was added to the never-ending list.

My question is: When will the list end? Restaurants already follow enough codes. It seems owners seldom get to make their own decisions anymore.

Most people do not realize the extent to which a restaurant is regulated or the difficulty of enforcing these laws. This is a major reason so many restaurants fail in New York and probably most other places, too. It's not because they can't produce a good business; they simply do not have the means to keep up with all the hassles.

A new owner opening a hamburger-and-beer place in my state would have to deal with the police department, the fire department, the New York State Liquor Authority, the board of health, and the departments of labor at both the state and federal levels.

Taberna's opening, a chef went to the Gordon Center and taught a course in Spanish cooking. Several of the students ended up joining the restaurant staff, and one is an assistant manager. Other Taberna employees were hired as the result of Luis Lezama's association with a local Catholic church, where he presides over mass when he is in town. Lezama believes that making a restaurant part of the local community and the broader cultural community is important, and he is willing to cooperate with institutions to do so.

—*Paul Moomaw*

A foodservice employer's dream

The Gordon Adult Education Center in Washington DC is a foodservice employer's dream: a source of hundreds of immigrant job-seekers from more than 80 countries who have been taught both English and foodservice skills.

The Gordon Center's foodservice job-training program includes training in food preparation, service and use of the cash register. "We have a cafeteria here for the students and faculty," says Alberto Lopez, a career-placement specialist at the center. "Students cook here and work in the cafeteria for six or seven months under the supervision of a nutritionist and an executive chef." Trainees spend their mornings learning foodservice skills and their afternoons taking English-language classes. Also available to the recent immigrants are programs in clerical work and word processing.

The Gordon Center goes beyond training, however; it is also a marketplace through which employers can be matched with a skilled group of employees. Local hotels, restaurants and hospitals are just a few of the employers that contact the center in search of workers. Lopez posts the list of openings on the cafeteria bulletin board, screens interested individuals and then calls employers with the names of qualified applicants. "That's a good service for employers," says Lopez. "They don't have to deal with a lot of calls from people who are not qualified or who aren't really interested. I make sure people are 100 percent qualified—or at least 80 percent qualified."

Perhaps the icing on this service is the price tag: There is no cost to either employers or employees. Funding for the center's programs comes from the District of Columbia government and from federal money allocated under the Job Training Partnership Act.

The owner must handle tax audits, insurance-company inspections and local zoning and building codes. The owner must support the bottle bill and work with the Human Rights Commission. He or she also must purchase a federal tax stamp for a liquor license, observe immigration laws, comply with alcohol-consumption regulations and, now, enforce new smoking policies effective January 1, 1990.

This is merely a skeleton list of mandatory regulatory codes. And each one can be pages thick.

Under New York's new smoking law, any restaurant seating more than 50 people will be required to establish up to 70 percent of its seating as non-smoking, based on customer demand. At The Alps, which seats 85, and Maguires, which seats 100, I must comply.

This is particularly onerous for me because it changes the entire character of my restaurants. Suddenly, there are requirements as to who can sit where. The Alps has an established elderly clientele. They have their favorite waiters and tables. Now, if these are in a designated area not of their choice, they can't sit there.

Moreover, it is uncomfortable and time-consuming to "police" customers seated in these designated areas.

Further, we find that unless non-smoking sections are mentioned, people do not ask for them. This reaffirms my belief that the character and service of the restaurant is what is important to our customers. Mutual respect, not a government-mandated policy, has worked very well all these years.

I ask again, when will it end? Why can't we decide for ourselves what's best for our businesses?

—Harry Zourdos,
The Alps Restaurant, Bronxville, New York

The finer points of fine dining

Dear Editor,

In the restaurant trade, we are very fortunate to have magazines such as your own to help us and to educate our staff. We look forward to receiving each issue, but I must admit the December issue caused me quite a stir.

The cover photograph was titled "Fine Dining in Denim"; and from the moment I saw the cover, I cringed. We spend a lot of time training our staff on table setting. The cover of your issue showed two errors. The one that most affects me is the direction of the knife. The blade of a knife should always be placed facing in toward the plate. This was a tradition started in the medieval period, when gentlemen used large, sharp blades at the table to assist in cutting the legs of lamb, beef or whatever. Because these blades were so sharp, the habit of turning them in saved many a person's arm when they brushed near the setting. The second error was in the placement of the coffee cup and the direction of its handle. The cup belongs on the righthand side, with the handle set at five o'clock.

Not trying to be so critical, but also trying to keep the magazine an educational tool, I thought it might be of interest to you and something you may want to watch for in future cover photos.

Once again, we do enjoy your fine magazine.

—Evangeline H. Nicas,
Castle Restaurant, Leicester, MA

Editor's note: We apologize! The casual theme made us lose our heads during the cover shoot.

Readers are invited to comment on industry issues, ***Restaurants USA*** *articles and association activities. Send your opinions to Feedback,* ***Restaurants USA,*** *1200 Seventeenth St., N.W., Washington DC 20036-3097. Submissions may be edited for length.*

Symposium Report

FINDING SOLUTIONS TO THE SOLID-WASTE PROBLEM

CITIZENS

At the National Restaurant Association's symposium "Managing Solid Waste: Answers for the Foodservice Operator" held January 9 in Washington DC, more than 270 operators, suppliers, manufacturers and government representatives learned that it is not a moment too soon for the industry to get involved in coping with the problems posed by the proliferation of solid waste and—more important—to propose solutions to the problems.

Association president Harris H. "Bud" Rusitzky opened the symposium by describing some of the ways the crisis is already affecting restaurateurs—through soaring costs for hauling waste and the growing amount of well-intentioned, but often misguided, legislation that attempts to deal with the solid-waste problem.

Rusitzky discussed the public's misperception that the foodservice industry is responsible for a great deal of the solid-waste problem. "Our disposable containers have come to represent the 'throwaway society' that catapulted America toward this landfill crisis," he explained. "Even though these fast food disposables account for less than one-third of one percent of landfill waste, these misperceptions are symptomatic of the misinformation that is rampant about solid waste in general. If even the experts can't agree on issues as simple as whether it is preferable to use paper or plastic bags at the supermarket checkout counter, how are foodservice operators supposed to make costly decisions about issues such as recycling and incineration?" he asked.

DCROUNDUP

☐ **DOL promises explanation of minimum-wage law by April.** U.S. Department of Labor (DOL) officials have told the National Restaurant Association that proposed rules will be published shortly to explain the new minimum-wage law scheduled to take effect April 1, 1990.

Employers are especially anxious for DOL to clarify the U.S.'s first training wage, passed by Congress in 1989's minimum-wage bill. Under the bill's training-wage provisions, employers will be allowed to pay certain workers under 20 years of age 85 percent of the federal minimum wage for up to 180 days.

☐ **Employers must follow a new procedure for using TJTC.** Employers who want to take advantage of the Targeted Jobs Tax Credit (TJTC) for disadvantaged workers hired after December 31, 1989, must do some preliminary legwork to verify TJTC eligibility.

State agencies asked to "certify" workers for TJTC will process applications only after an employer has already specified to which of the nine targeted groups of qualified employees a potential TJTC employee belongs.

☐ **President Bush proposes eliminating tax for alcohol sellers.** The fiscal 1991 budget President Bush submitted to Congress includes a plan to eliminate the $250 "Special Occupational Tax" (SOT) that alcohol sellers must pay each year. It proposes to shift the tax to alcohol manufacturers and wholesalers.

Although the proposal may not pass congressional muster, some type of action is expected this year. Little publicized before 1989 (when the rate shot up from a previous maximum of $54 a year), the SOT has come under heavy fire from retailers who are upset that the Bureau of Alcohol, Tobacco and Firearms (BATF) is sending them bills for years of unpaid taxes. Before BATF took over tax-collection duty in 1989, IRS had never even notified most retailers that the tax existed.

☐ **Further cuts in the business meal tax break?** Number-crunchers in the Congressional Budget Office (CBO) have proposed raising $17 billion by 1995 by slashing the tax deduction for business meals to 50 percent—even though CBO warns that the proposal "could have negative effects on some restaurants." Among the 35 other revenue proposals CBO listed are stiff increases in beer and wine excise taxes, and taxes on some employee fringe benefits.

☐ **INS adds new documents to list of acceptable employee I.D.** Employees who want to prove that they are authorized to work in the U.S. may now show employers two new forms of identification being issued by the Immigration and Naturalization Service (INS) to verify employment eligibility. The documents are numbered I-688B or I-766.

Denise Roach

This symposium made great strides toward helping operators sort through the information.

The legislative march

Top on the agenda was a state report from Michele Egan, government affairs assistant for the California Restaurant Association.

Because California is serving as the legislative bellweather state on environmental issues—just as it did with minimum wage and other crucial issues that affect the foodservice industry—Egan described the tidal wave of environmental legislation surging through her state.

In 1989, 18 bills that deal with the environment were presented to the California state legislature. The goal of the legislation is for California—which ranks second behind the United States as a whole in the amount of waste generated in the world—to reduce its solid waste by 50 percent by the year 2000. Egan was not optimistic that this goal will be reached, because, as she explained, "the legislation passes the problem back to the local governments." Even though each city and county is required to come up with recycling and source-reduction plans (reducing the amount of product packaging) by January 1991, there is no promise that these plans will fit into any kind of statewide plan, she added.

No centralized planning also poses financial problems for environmental programs initiated in California. "The local governments must handle the funding as well as implementation," Egan said. It is therefore no surprise that tipping fees (the cost to pick up and deliver waste to landfills) have increased greatly to help pay for the new programs. As Egan described it, "The situation is a nightmare" for foodservice operators, especially those who own units in several communities and are forced to deal with a hodge-podge of fee schedules and waste-disposal programs.

The situation that Egan describes is not only occurring in California. Multi-unit operators are already feeling the effects of solid-waste legislation that varies from community to community and state to state. Taco Bell is one chain that has struggled to meet local legislative requirements on packaging. Maryknoll Benner, Taco Bell director of field and regulatory quality assurance, described her company's exhaustive efforts to meet the requirements of a variety of local laws. For example, in order to open a unit in Glen Cove, New York, Taco Bell had to make 16 packaging changes—from eradicating plastic coffee lids to creating a paper burrito holder.

These changes created a 100 percent increase in packaging costs; but according to Benner, the result was worth the price. "We got the unit open, it was good p.r. and we did have increased customer counts." According to Benner, the learning process for Taco Bell has been arduous, but now the company feels positive about its environmental awareness and is taking a more-proactive, less-reactive, stance. For example, Taco Bell is investigating source reduction and is already sorting its waste for recycling.

But despite Taco Bell's positive response, Benner did return to the issue of who has responsibility. "We must communicate with politicians and let them know that the food industry should not be the only target."

Notes from the government

The government's view-

"As this symposium proves, we are committed to taking a proactive stance in the fight against solid waste."

Ideas for getting involved

The solid-waste crisis will be solved through long-range planning on a community or regional basis—not overnight. But any environmentally concerned operator can contribute to the solid-waste solution immediately through some of the following approaches.

Community involvement:

1. Sponsor recycling pickups or city cleanup days.
2. Participate in your local recycling programs.
3. Volunteer your site as a collection location.
4. Sponsor a litter program, and pay cash for returned disposables with your name on them.

Purchasing:

1. Carefully evaluate your packaging for costly and environmentally irresponsible redundancies.
2. Consider the relative costs of durable goods and utensils versus disposables.

Menu planning:

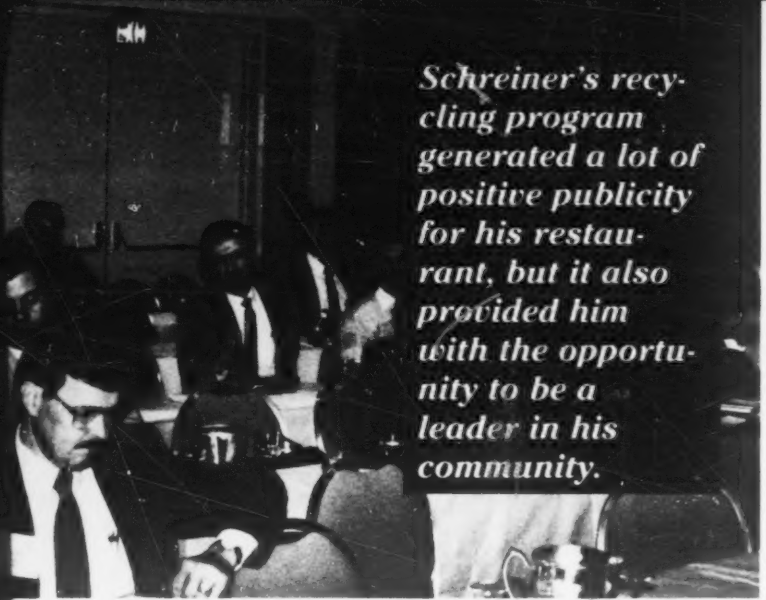
1. Consider printing menus on recycled or recyclable paper.
2. Review existing recipes to consider ways in which you can cut down on the amount of food you discard.

Source separation:

1. Train your employees to eliminate unnecessary waste.
2. Set up in-house separation for paper, aluminum cans, bottles and other recyclables.
3. Join with other operators and contract pickups for separated waste items.

Public education:

1. Monitor local and city councils and legislators pondering solid-waste management regulations. Speak out against unfair or ineffective measures and support responsible proposals.
2. Volunteer to head your city's litter task force.
3. Educate your local media about the true problems affecting solid waste.



Schreiner's recycling program generated a lot of positive publicity for his restaurant, but it also provided him with the opportunity to be a leader in his community.

point—from the local to the federal level—was well represented at the symposium.

Chip Foley, project director for the Source Reduction Council of the Coalition of Northeast Governors, brought an interesting perspective to the symposium. Speaking for a group that represents nine governors, Foley knows the meaning of cooperation. And it is that cooperative spirit that led to his group's forming a task force of manufacturers, suppliers and government officials to deal with the solid-waste issue. The first order of business was to focus on packaging issues, with an emphasis on source reduction.

By April 1989 the group had hashed out "preferred packaging guidelines" that included the advocacy of minimal packaging, returnable packaging and recycling. These guidelines were presented to the coalition as model legislation, and Foley was proud to report that eight of the nine governors had proposed or were planning to propose legislation based on the recommendations.

Foley's message to attendees was that they must work with industry to solve problems. "It is very difficult to get people from diverse interests to think along the same lines," he said. But as his group proved in formulating its guidelines, a cooperative effort has very powerful results.

Chris Rice, deputy administrator for the Environmental Protection Agency (EPA), urged attendees to make solving the solid-waste problem a personal goal. He told the assembly that his agency is working to change the way people think about trash. "We want to change the way Americans buy and think about what they buy," he said. The average person generates 3½ pounds of garbage a day.

Along with attempting to change public attitudes and actions, EPA is making recycling a priority—the agency would like 25 percent of the wastestream to be recycled. Rice admitted that in order to meet this ambitious goal there is a need to create markets for recycled goods. He advocated the idea of creating incentives for manufacturers to use recyled goods.

Senator Max Baucus (D-MT), chairman of the Environmental Protection Committee, outlined some of the legislation before Congress that deals with environmental issues. While fielding questions from attendees, Baucus admitted that legislative solutions to the solid-waste problem will directly affect small businesses, and he urged attendees to communicate with their representatives. "Tell us what answers are the best solutions," he said.

Hearing from industry

Manufacturers, suppliers, recycling organizations and solid-waste-disposal companies also had a say at the symposium. Here are some highlights from their discussions:

□ Jim Meszaros of Browning-Ferris, Inc., a large waste-disposal company located in Houston, told the audience about his company's success in implementing recycling programs in the communities it serves—930,000 homes are participating in curbside recycling efforts through the use of special trucks that sort the waste on the spot. He urged restaurateurs to look into recycling through three steps: (1) Classify the wastestream—"Get very specific; what kind of metal is there? What color is the glass?" (2) Look at storage space—"You might want to consider a glass crusher or a can flattener." (3) Investigate the market for recycled material in the area, and "Find out who will pick it up."

□ The Procter & Gamble Corporation sent Tom Rattray, associate director of its corporate packaging division, to the symposium to explain its environmental approach, which includes (1) source reduction—for example, reducing excess packaging by combining products, such as detergent and fabric softener, in one container, (2) product concentration—making a product smaller in size but stronger in nature, and (3) refillable/reusable packaging.

He spoke of successes in Europe—where waste-disposal fees are very high and consumers are extremely conscious of the environment. Rattray played a German commercial in which a family happily adds water to a concentrated laundry detergent in a reusable bottle and rolls the used package up into a tiny cylinder. Procter & Gamble is rolling out these packaging ideas slowly in the United States.

□ David Baker of Southeast Glass Recyclers enthusiastically explained how much a recycling program can pay off for restaurateurs through savings in tipping

Recycling saves money and does good

When the local chapter of Goodwill Industries in West Palm Beach, Florida, approached Manero's restaurant a year and a half ago and asked if it would participate in a recycling program, the timing couldn't have been better. Manero's had just been hit with an increase in tipping fees from approximately $30 to $70 a day and was trying to find ways to cut the cost.

The Goodwill in West Palm Beach collects sorted waste from local businesses for its own recycling plant. The plant processes bottles, aluminum and some cardboard to sell to manufacturers. The profits go back into the recycling center and to benefit Goodwill Industries.

costs and also in increased goodwill (see sidebar). His group passes out window stickers and table tents that say, "We recycle our glass bottles and jars."

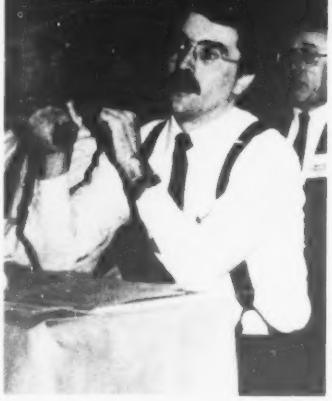
What restaurants are doing

Two of the participating restaurateurs spoke of their companies' positive responses to the solid-waste issue.

Bernie Schreiner, owner of Schreiner's Restaurant in Fond du Lac, Wisconsin, has made a difference in his community. When the landfill in his town closed two years ago, forcing trash to be hauled to a site much farther away, Schreiner knew the situation would deteriorate.

Schreiner didn't want to wait for the situation to worsen. He created his own solution by building a $2,500 addition to his restaurant—a sorting shed for a recycling program he wanted to start. He hired a local contractor to pick up the sorted waste regularly. Things were going well until the contractor's recycled-material market dried up. "We could no longer recycle," recalled Schreiner, who was upset enough to call the local newspaper and suggest it run a story on the problem. The result was that the restaurant's regular waste hauler agreed to collect the sorted trash for recycling.

That solid-waste management policies are still in the formative stage makes environmental issues all the more timely for restaurateurs.



Schreiner's recycling program generated a lot of positive publicity for his restaurant, but it also provided him with the opportunity to be a leader in his community. He urged attendees to look at their own situations and told them it is better to be ahead of the movement, rather than trying to play catch up.

The other company to present its program was McDonald's, which sent Mike Donahue, manager of state government relations, to talk about its recycling program. "Recycling is the wave of the future," Donahue said. And, of course, taking an environmentally protective stance has helped McDonald's corporate image. "Customers have been very supportive of the program," Donahue claimed.

Where to go from here?

Despite the wealth of information presented during the symposium, many speakers acknowledged that there are many questions about solid waste that remain unanswered. For example, are the packaging substitutes really better for the environment than the plastic containers they are replacing? Or, will there be markets for all the recycled materials? There is still a great deal of uncertainty about where the environmental concerns that are riding a wave of popularity will take the nation and how they will drive the restaurant industry.

But this uncertainty can serve as a benefit to the foodservice industry. That solid-waste management policies are still in the formative stage makes environmental issues all the more timely for restaurateurs. "Our industry has an easy decision to make," said Bud Rusitzky. "Either we let the problem, the activists and the government control us—or we take an active role ourselves as part of the solution. As this symposium proves, we are committed to taking a proactive stance in the fight against solid waste."

—Elizabeth Wallace

For more information

The National Restaurant Association offers an information packet containing the symposium proceedings and a booklet, *Managing Solid Waste: Answers for the Foodservice Operator*, which covers the solid-waste issue in detail. To order the packet, send a check for $36 to the National Restaurant Association, Department A-2010, 1200 Seventeenth St., N.W., Washington DC 20036. To order by credit card, call (202) 331-5985.

After Manero's signed on, the restaurant immediately saw a savings in its tipping fees. According to secretary/treasurer Joyce Thomas, the family steakhouse went from a daily pickup of a 9-cubic-foot dumpster to its present three-times-a-week pickup of two 3-cubic-foot dumpsters. "We estimate that we're saving between $21,000 and $24,000 a year," claims Thomas.

Originally, Goodwill offered Manero's cash for its recyclables—money the restaurant refused because it wanted to help Goodwill. Now, because the recycled-goods market is down in the West Palm Beach area, the plant can no longer offer money. In fact, the depressed market has cut back the plant's productivity to the point where it isn't breaking even. But according to plant manager Pat DiFaro, the situation should improve soon. "Mandated recycling is inevitable," he explained. "Eighty percent of Palm Beach County's municipalities are recycling in some form, and it is sure to increase." DiFaro is confident that the Goodwill plant will reap the benefits of having a program in place when businesses and private citizens are required to recycle.

Whatever happens to the local plant, Thomas says the staff at Manero's is committed to recycling and will stick with it—even if it requires driving farther to drop off the sorted waste. As Thomas explains, recycling is more than just a money-saving proposition for the restaurant. "All our employees try to be good citizens. As Americans we all have to pitch in to help solve this problem. Or else there just won't be any place to put the trash."

TABLE FOR ONE

SOLO DINERS—ONE WAY TO INCREASE YOUR MARKET SHARE

by Gary M. Stern

Traditionally, restaurants have taken the Noah's Ark approach to their clientele: Two by two is the best way to dine. Deuces are acceptable, foursomes or six to eight diners graciously welcomed, and single diners shunned. But restaurateurs are missing out on a sizable area of potential income by ignoring the ever-growing number of single diners. A welcoming attitude and seating alternatives can do wonders to bring in this market.

Toni Erlich, a New York City-based management trainer, will never forget one business trip in which she dined alone at a medium-priced restaurant near Cape Cod. Arriving at dinnertime, when the restaurant was filled with couples and foursomes, she was greeted by the proprietress, who shoved a menu in her hands and exclaimed, "Are you alone?" When Erlich said that she indeed was, the owner yelled to a waiter at the opposite end of the restaurant, "Table for one, please." Feeling as if she wanted to sink beneath some boulder, Erlich stumbled to her seat as other patrons stared at her.

Erlich is typical of solo diners who avoid dining at fine restaurants because they are made to feel unwelcome and opt instead for fast food and other lower-priced eateries, or in the case of many business travelers, room service. Art Fischer, director of The Single Gourmet, a nationwide organization that encourages single people to combine dining in high-quality restaurants with the possibility of meeting each other over dinner conversation, has spoken to thousands of single diners. Most avoid dining out in premium restaurants because of the way they are treated. Greeted by a frown from a maitre d' or hostess or a chagrined look from a server, the single diner is being sent a clear message: Come back with a friend.

In addition, Fischer says, since restaurants prefer serving couples and foursomes (because they fill tables and bring in more revenue), smaller tables are usually squashed together in the dining room's worst setting. "A single person will tip much better if he or she is given a nice table and decent treatment," says Fischer. Trainer Erlich agrees, saying, "I don't want any special treatment. I just want to be treated like anyone else who dines out."

Training staff to be sensitive

So what can a restaurateur do to make solo diners feel at home? The first step is to be welcoming, and that attitude has to come from management. How this can be implemented is illustrated by Hat Dance, a Mexican-Japanese restaurant that is part of the Lettuce Entertain You Enterprises organization in Chicago. Managing partner John Buchanan says that staff at Hat Dance receive special training to enable them to be more sensitive to the needs of solo diners. To avoid having the solo diner feel singled out, the staff at Hat Dance use special nonverbal signs that are sent from the host to the server or buser to inform them that a solo diner is coming. Thus the server doesn't have to ask, "Are you alone?" The signals, Buchanan says, are comparable to a third-base coach giving a sign to a batter in baseball. Trained to welcome solo diners, hosts greet them in a way that suggests, "We're glad to have you here" instead of sending covert messages suggesting that "I don't like the fact you're dining by yourself," he says.

Starting up innocuous conversations with solo diners is another way that Hat Dance's employees encourage the solo diner to feel comfortable. "Are you enjoying your taco?" might be a question a waiter or host will ask to help someone feel at ease. Buchanan warns, however, about patronizing the single diner and making one's comments too obvious.

To make singles feel at home, Buchanan says, he will often seat them in booths rather than in corner tables outside the kitchen. Because most single diners come prepared with a magazine or newspaper or work, dining in a booth affords them ample space to stretch out and feel comfortable. Because he is sensitive to waitstaff's tips, he will distribute solo diners throughout the restaurant so servers' tips aren't curtailed by serving a disproportionate number of solo tables.

Design can help

Designer Adam Tihany, who has designed such restaurants as Le Cirque, Bice and Hubert's in Manhattan, says that a restaurant's design can give an owner flexibility to appeal to single diners. For example, in his design of the Drake Swiss Ôtel in Manhattan, there's a lounge that includes smaller, lightweight tables, which can be moved together to accommodate a table for one, two or four people. This design has proven extremely effective at breakfast and lunch, when solo business diners patronize the restaurant in large numbers (though one at a time). Another design idea that yields flexibility for single diners, Tihany says, is a banquette, an upholstered sofa that runs alongside a wall that forms a long seating surface, where smaller tables can be placed to accommodate from one to four people.

Tihany also tries to work in smaller tables for two—where a solo diner would feel comfortable—throughout restaurants he's designed. He prefers not to "segregate" single diners in one area, which makes them appear different from other patrons.

In Remi, the restaurant that he owns on Manhattan's upper east side,

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Gary Stern is a freelance writer in New York City.

Appealing to singles in groups

One way to reach single diners is to appeal to them in groups through organizations like The Single Gourmet, a franchise of single diners interested in meeting one another, located in such cities as Boston; Chicago; Dallas; Fairfield, CT; Houston; Los Angeles; Minneapolis; New York; Norfolk, VA; Phoenix; Richmond, VA; San Diego; San Francisco; and Seattle; as well as Ottawa, Ontario; and Victoria, British Columbia. Co-director Art Fischer notes that rarely does a restaurant owner solicit them. Yet the outings can number more than 100 a year, as they do in New York City. No type of restaurant is excluded.

Groups of from 25 to 50 (in New York City it's 60 to 100) dine at a variety of restaurants—from expensive French meals to ribs and down-home cooking. Single Gourmet and the restaurant owner always determine an agreed-upon price for a full meal, including tax and gratuities (which makes splitting the check and collecting money much easier). Sometimes the meal includes drinks, and occasionally it involves special wine-tasting features. Groups always come early, though, and have drinks at the bar.

"We're always looking for different places," says Fischer. The group rarely visits a restaurant more than once in the same year.

Tihany appeals to single diners by promoting what he calls a "neighborhood feeling." He encourages single diners to use the restaurant as a European cafe, bringing a book and lounging there for as long as they want to dine.

Other seating options

Single-dining areas. Realizing that its hotels and restaurants are increasingly being occupied by business travelers and local singles, Marriott Hotel restaurants have targeted solo diners. Ninety of Marriott's 188 hotels have special sections set aside for single diners, reports Sandy Johnson, Marriott's manager for group market public relations. A number of restaurants have special single-dining areas that include tables set along the window. Often the tables are designed front to back, so diners won't awkwardly have to face one another. In many Marriott restaurants, courtesy magazines and newspapers are placed on the table designated for single diners to occupy their attention during the meal.

And Marriott's latest innovation is to create a solo-diner's section with a large television screen in the room's center, so patrons can watch television just as they would at home. This special marketing to solo diners, suggests Johnson, "says to everybody that these people are accepted and wanted and taken care of just like any of our customers."

Dining at the bar. When Aurora, an upscale midtown Manhattan eatery, was planned by restaurant consultants Joseph Baum and Michael Whiteman Associates, the restaurant's design aimed to appeal to solo diners. That is why in the middle of Aurora's dining room is a horseshoe-shaped bar, made of polished granite, which looks like the restaurant's centerpiece. At lunchtime, place settings are laid out at the bar and many business people dine alone, perusing their work from the morning. Single women especially find it very comfortable dining alone at the bar where they will not be disturbed.

"What makes it awkward for solo diners is sitting at a table for two," notes Michael Whiteman. "You're clearly alone. We designed the bar to be as sumptuous as possible. We are sensitive to the fact that there are large numbers of single people and that they need to be accommodated gracefully, rather than be treated as second-class citizens."

A special room. Diners know they can come to Strings, a fine-dining restaurant in Denver, by themselves and be welcomed. To make diners feel at ease, Strings has designated a special room, called the "umbrella" room, which has special paper-globe lighting and more upbeat music than the rest of the restaurant, to encourage singles to feel at home. Singles can dine on pasta and a glass of wine for less than $10 or veal chops for less than $25.

A table for one. Zuni Cafe, located in downtown San Francisco, has tried perhaps one of the most radical ideas to accommodate solo diners: a table for one. Floor manager Barbara Haimes explains that the table for one arose because of a quirky space that could fit only this snug-fitting table. It's proven so popular that the table for one is always occupied. "That table for one sends a message that solo diners are welcome," she says.

Communal tables. Taking a different approach is Sandro's, an upscale Italian restaurant in Manhattan. It has created one communal table to accommodate singles who can enjoy the fellowship of the table with other solo diners. Although many friendships have been made at the table when the chemistry is right, not every solo wants to socialize. And often no one wants to be the first person seated.

In fact, Leon's restaurant in Plainfield, New Jersey, which also tried communal tables, abandoned the project because of lack of interest. Designer Tihany has shied away from communal tables, because in his experience most single diners are not extremely social and would prefer to be left alone with their books or newspapers.

But there may be more support for communal dining tables than restaurateurs think. A widow wrote in to "Dear Abby" recently suggesting that restaurants set up a table for "maverick diners" to share their meals and friendly conversation. Abby endorsed the idea and said other readers in the past have supported the concept.

Why bother with singles?

Enterprising restaurateurs recognize that by appealing to solo diners, not rejecting them, they can increase their business. Studies by the National Restaurant Association reveal that solo diners—often professionals in their 20s and 30s—spend more than half their food budget in restaurants. (Married couples spend close to 37 percent of their food budget dining out.) And the number of solo diners—now approximately 20 million people—is rising.

As Hat Dance's John Buchanan says, a single diner who likes your restaurant may return again—alone or with friends. And repeat business is what keeps restaurants alive over the long haul. ☐

GOLD AMONG THE SILVER AND GRAY

HOW TO MARKET IN AN AGING AMERICA

by Julie Fintel

Soft color combinations. Traditional foods. Easy-to-read menus. Minimal background noise. These are just a few of the changes restaurateurs can consider if they want to attract the burgeoning 50+ crowd, who have the time and money to eat out often.

The graying of America has begun. More than 60 million Americans are now at least half a century old. Their numbers increase by 6,000 every day, and in less than seven years, the top edge of the baby-boomers will themselves be joining the "over-50 club."

According to Ken Dychtwald, Ph.D., and Joe Flower, the authors of *Age Wave: The Challenges and Opportunities of an Aging America,* Americans older than 50 will turn out to be the most powerful and affluent consumer group in history—a virtual marketing tidal wave. They now represent only 25 percent of the total U.S. population; but by the year 2040, that proportion will have grown to nearly 30 percent. They already have a combined personal income of more than $800 billion and control 70 percent of the total net worth of U.S. households—nearly $7 trillion. And the proportion of wealth they possess is predicted to grow.

Smart restaurateurs will begin now to learn how to market their products to these mature citizens, especially in view of the fact that 50+ consumers are more interested in using their money to purchase experiences

Richard Parisi

Julie Fintel is a communications specialist at the National Restaurant Association.

rather than things—and one of their favorite experiences is eating out.

Know your market

Catering to these older diners isn't just a matter of adding softer foods to your menu. Don't make the mistake of thinking all persons over 50 have the same likes and dislikes, the same lifestyles or even the same incomes. In *Psychology Today*, noted social gerontologist Bernice Neugarten likened people's lives to the spreading of a fan. She said that the longer people live, the greater the differences between them, as a result of a lifetime of differing experiences. In other words, 18-year-olds are more alike than 68-year-olds. So it's a good idea to get rid of stereotyped ideas about aging. Poor health, declining mental faculties, reclusiveness and a dislike of physical activity may be true for a few mature citizens, but by no means do these qualities define the majority. Men and women over 50 are regular participants in the Boston marathon, take college classes and are an important part of the workforce.

In fact, New York–based market-research expert Judith Langer believes it's a mistake to view seniors as a homogeneous group even within age groups. "Instead of marketing just by age, think in terms of market segments cutting across age groups: market to the health-concerned, or to the adventurous or to people who live alone," she advises.

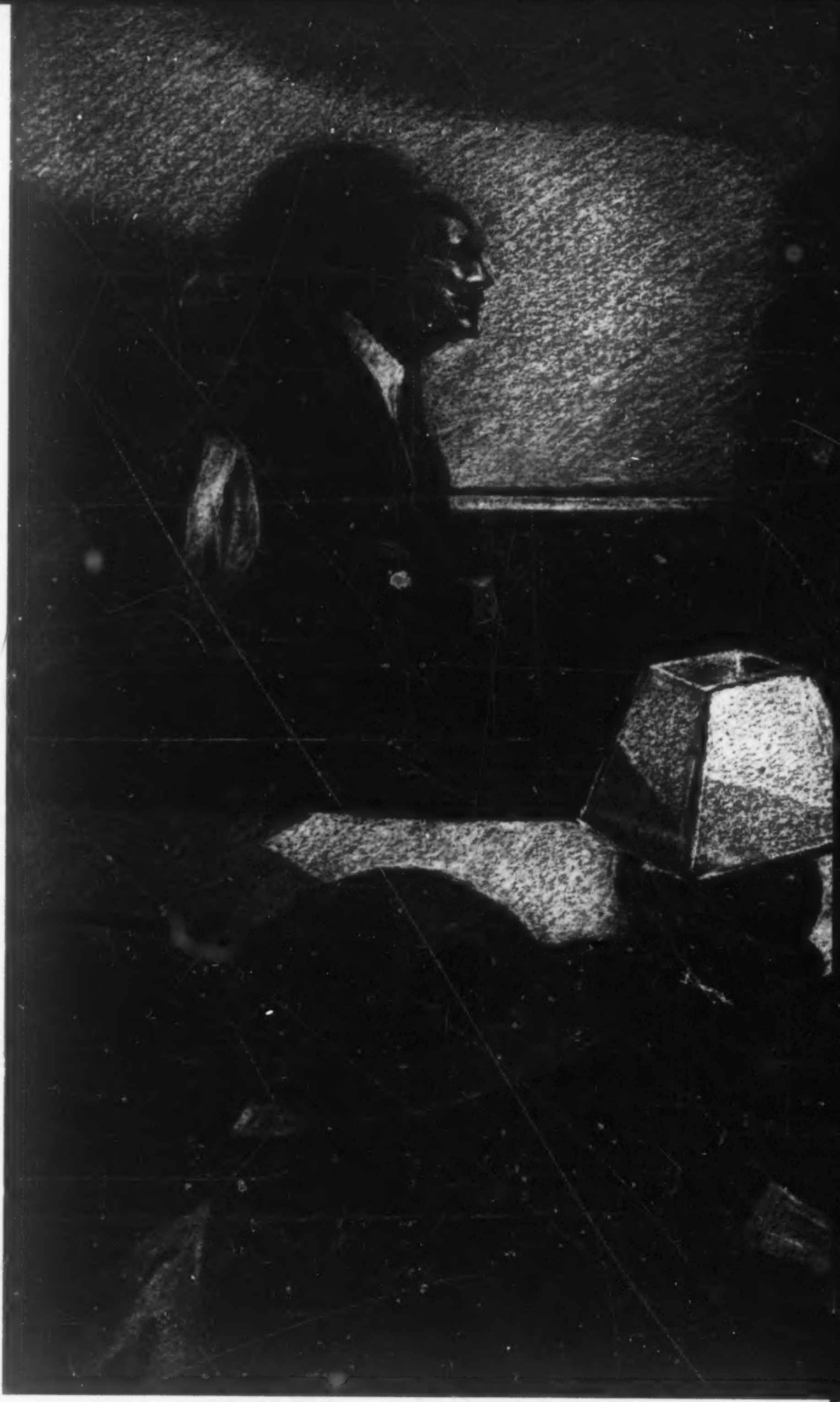
Developing successful programs for the 50+ market means learning how the needs of this age group differ from those of their younger compatriots, especially in your area. In his book, *Successful Marketing to the 50+ Consumer*, Jeff Ostroff lists some ways to identify mature-market needs:

☐ *Conduct research.* For an overall picture, use primary research techniques, such as surveys by telephone, direct mail or one-on-one interviews. Or use information gathered by professional media, government agencies, trade and professional organizations, academic and research organizations, marketing-research firms, seniors' organizations, etc.

☐ *Analyze purchasing data.* To zero in on needs of senior patrons in your area, find out how much older patrons normally spend in your restaurant, which menu items they order most, what they tend to complain about and how they heard about your restaurant.

☐ *Listen to customers' comments.* Feedback is one of the best ways to find out "how you're doing." Never dismiss the complaint of an older person out of hand, writing it off as "senility."

☐ *Read mature-market publications*, such as *New Choices* and *Modern Maturity* (see sidebar on page 22).



Use a positive approach to marketing

It's important that any marketing efforts be sensitive to the self-image older Americans have. Many seniors don't even see themselves as old; no matter how they look on the outside,

they think of themselves as being young. Ostroff warns: "By failing to recognize the internal youthfulness felt by most older persons, your business will seriously undermine its mature market success." Let your customers know you view the mature years as a time for new challenges, growth and achievement. Be sure that any advertising you do reflects this positive attitude.

Popular restaurants for the 50+ crowd

National Restaurant Association studies are one source for learning more about the preferences of the mature market. One major finding of a 1989 association CREST* study was that midscale restaurants are more popular with older consumers than with the population in general. Thirty-six percent of eater occasions for the 55 to 64-year-old group and 46 percent of occasions for consumers 75 years old and older were in midscale restaurants. Twenty-five percent is the proportion for the population in general.

Another National Restaurant Association study revealed that customers older than 60 tended to dine at self-service cafeterias/buffets more than sit-down or fast food restaurants. But those 50 to 59 preferred sit-down restaurants with a check size of more than $10. Patronage of quickservice declines with the age of the diner—from 79.1 percent of eater occasions for adults 18 to 24 to 47.5 percent for patrons 65 to 74 years old.

Winning food, service, decor elements

Although it would be a mistake to say "all persons over 50 years old like all the same things," studies have pinpointed some of the tastes and preferences shared by a large proportion of the older crowd.

A National Restaurant Association CREST study found that the dishes preferred by older patrons include beef entrees, nonfried fish and poultry items, salads, nonfried potatoes, vegetables, soups and nonfrozen desserts.

Although traditional foods are the favorites of seniors, they are willing to try different things. According to a National Restaurant Association study of consumers 55 years old and older, more than half have tried Chinese, Italian and Mexican foods. One out of four reported liking hot and spicy dishes.

This willingness to experiment is also clear in a "geromarket" study conducted by Goldring & Company, Inc., in Chicago. Within a 12-month period preceding the survey, 34.1 percent of 50+ consumers had tried a new brand of ice cream, 30.5 percent had tried a new brand of soft drink and 22.2 percent had tried a new brand of frozen fruit juice.

A 1989 CREST study indicates that mature patrons today are eating more

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**CREST stands for Consumer Reports on Eating Share Trends, a diary survey conducted by one of the NPD marketing and research companies.*

pizza, hamburgers and french fries than their counterparts in the past, although those foods are still more popular with the younger crowd.

Like the rest of the population, members of the 50+ market are interested in health and nutrition, but perhaps more so since they may have some health problems that make special diets imperative rather than optional. They tend to favor foods that are low in cholesterol, salt and calories and appreciate having nutritional information available to them.

Lawrence DeGeorge, owner of DeGeorge's Lakeway Restaurant in Ashtabula, Ohio, changed his menu to include more healthy foods a year ago. The 58-year-old DeGeorge had had a heart attack and had been told that a proper diet was a vital part of his recovery.

In addition to preparing dishes according to American Heart Association guidelines, DeGeorge's menu offers Promise margarine, dietetic salad dressings and salt substitutes. A note on the menu assures customers that foods are prepared with all-vegetable, no-cholesterol cooking oils and margarines; little added salt and defatted gravies and sauces.

Since he changed the menu, business has really taken off, DeGeorge says. He is attracting not only more older customers but more younger ones as well, and business is not as spotty. The older patrons come during the week and eat earlier in the evenings, whereas the younger crowd prefers to dine after 7 p.m. and favors weekends.

DeGeorge has noted that both groups like to take a vacation from their diets when they eat out, especially if it's a special occasion. That's why his menu also includes items like homemade cheesecake.

Because a declining appetite is a part of the aging process, senior customers often opt for smaller portions.

SENIOR PROS OFFER FREE BUSINESS HELP

Facing the challenges of a stiff competitive environment, restaurateurs need all the help they can get. Yet often they have no one to turn to for advice.

It may be time to say good bye to the small-business blues. One of the best sources of business advice is the Small Business Administration's Service Corps of Retired Executives (SCORE).

This nonprofit group of more than 13,000 retired business executives is helping small businesses prosper. Founded in 1964, SCORE offers free business counseling by men and women who have had successful careers as company executives or owners of their own businesses.

SCORE has counselors in all 50 states as well as Puerto Rico, Guam, the Virgin Islands and the District of Columbia. The organization matches its counselors' specialized experiences to the particular problems or needs of people wishing to use the service. "Name your business, and there's a SCORE counselor who talks your language," is an organizational motto.

Last year SCORE provided more than 300,000 small-business owners with help ranging from one-on-one counseling to classroom-style workshops.

SCORE helps restaurateurs

Foodservice operators have been avid users of SCORE services, says Paul Kirschner, SCORE's national marketing director. The expertise of SCORE counselors can make the difference in areas ranging from expansion plans to budgeting to personnel matters.

Jeffrey Miller, of Miller Catering in Philadelphia, used his SCORE counselor as a sounding board when trying to decide how to expand after several years in business. "Thanks in part to him, I'm now doing all the catering for a local mansion rented out for special occasions," says Miller. "He's been in the business twice as long as I've been alive," Miller says of this SCORE counselor, with whom he has worked for five years. "He hasn't steered me wrong yet."

Often the most helpful advice SCORE volunteers give their clients boils down to small trade secrets. Bobbi Myers, co-owner of Murphy's Deli and Pub in Louisville, Kentucky, said her SCORE counselor advised her against installing carpeting near the self-serve drink dispensers, recommending tile floors instead. "It could have been a real mess if we went with our original plans for carpets," notes Myers.

SOMETIMES SMALL BUSINESS NEEDS HELP
CALL SCORE

SCORE counselors are willing to help clients for as long as necessary. Myers's counselor, for example, calls regularly just to check on business.

Shirley Henderson, owner of two Lip Lic'ns restaurants in Philadelphia, first contacted SCORE after seeing a television ad. She has gotten help from her SCORE counselor on developing job descriptions for employees and learning how to place food orders. "There are so many things small-business people don't know when they are starting out," says Henderson. "SCORE can really save you headaches."

> ***Americans older than 50 will turn out to be the most powerful and affluent consumer group in history—a virtual marketing tidal wave.***

Walter Conti, owner of Conti's Cross Keys Inn in Doylestown, Pennsylvania, tailors his food to the special likes of his older customers. "We give them smaller portions. We give them items they are able to eat—although chefs may cringe, we cook the entrees and vegetables more. We make sure the fish has no bones. We make meats that are easy to chew, such as beef stews and broiled chicken. We offer simple desserts, such as bread pudding, lemon meringue pie, mousse and ice cream. We do not offer seniors big hoagies or thick-sliced beef sandwiches they cannot eat or chew."

Conti's mature patrons also prefer weekdays to weekends, and lunch is more popular than dinner. "Their doctors advise them to eat lunch as their main meal of the day," Conti notes. "They like driving during daylight, too." The retirees now have the time for a long, leisurely lunch. If they do eat out for the evening meal, they are likely to come in the early evening, which makes them a good target for early-bird specials.

Older people want comfort

Decor is important when attracting seniors. "One thing we know is that older people want comfort," advises American Express's *Briefing* newsletter. "Make your seats a comfortable height; have pleasantly bright lights; use easy-to-hold stemware; put levers on your restroom doors; have good acoustics so people can talk quietly, yet hear easily; and tone down your music." You might also consider providing a host table for single diners, because many older people like company when they dine.

In Ft. Lauderdale, Florida, Newman's La Bonne Auberge, owned by Katherine Webster and Ed Newman, was redecorated a couple of years ago with an older clientele in mind. Soft colors, traditional furnishings and cove lighting give the restaurant a conservative, cozy look. Contrast that with a restaurant in Jacksonville, Florida, designed by the same firm, but targeted to young professionals instead of the older crowd. That restaurant has a high-tech look and a color scheme of pinks, plum and teal—a Miami-Vice decor many older customers would find too flashy.

George D. Nadvit, senior vice president, operations, of Arby's, Inc., in Atlanta, confirms this. "Older Americans definitely prefer comfortable and casual dining experiences. We worked to build more comfortable dining areas with padded seating, carpeting, softer music and more pleasing decor to encourage them to sit and eat and talk. Our new decors in muted and pastel colors have gone over very well in Phoenix, where we have a very solid group of senior customers."

Dianne Davis, president of Interna-

Are discounts desirable?

Older people are commonly viewed as being on a fixed income and primarily interested in bargain meals. Although this is true of some, it is certainly not true of all. Many 50+ individuals have had time to accumulate a nest egg. Households headed by persons 55 years of age and older whose children have left home are a particularly strong market for restaurateurs. For example, according to a 1987 study by the Bureau of Labor Statistics, empty-nester households headed by individuals 55 to 64 years old with incomes of more than $50,000 spent 48 percent of their annual food budgets for food away from home. That figure jumped to 52 percent when the age of the household head was 64 to 74 years old—the highest percentage for all the age groups.

For many mature consumers, value, or the quality of the product, is just as important as finding a low price. A study by Strategic Directions Group, Inc., a Minneapolis-based marketing firm, suggested that the use of coupons and discounts to attract seniors may be unnecessary. It found that only one-third of the over-50 people surveyed were highly interested in such discounts; this segment did not have the lowest annual household income and currently eats out as frequently as the other segments surveyed. "It is possible that restaurants are discounting meals to attract customers they already have," the study concluded.

Author Jeff Ostroff says that some older consumers are often suspicious of special price breaks. He advises a "value-added" approach instead. For instance, a free dessert with dinner may be more effective than a dollar off the price of that dinner.

Types of service available

SCORE's assistance includes a wide range of services:

☐ **One-on-one or team counseling.** SCORE offers management assistance in business planning, finding financing and other areas. Counselors can help with both specific problems and longer-term needs.

☐ **Workshops.** Each year SCORE provides more than 3,000 workshops across the nation on such general subjects as marketing, as well as on more specific topics like inventory control or employee policies. SCORE offers several workshops geared specifically toward foodservice operators.

☐ **Information.** SCORE resources can help small-business owners learn where to hire and how to use the professional services of lawyers, accountants, advertisers and other professionals.

Where to call

To tap this source of free professional help, contact SCORE's national office in Washington DC at (202) 653-6279. Or call the Small Business Administration's Answer Desk at 1-800-368-5855 for help locating the SCORE office closest to you.

—Stephanie Gordon

tional Team Associates, a hospitality consulting firm in New York City, adds other suggestions:

☐ When taking an order, the server should stand facing the customer to minimize hearing difficulties.

☐ Avoid glossy surfaces that create glare on your menu. Use large print.

☐ Provide adequate lighting. Spotlights and indirect lighting can help patrons see menus more clearly. If your restaurant has a low-lit romantic setting, offer pen flashlights.

☐ Pay attention to your flooring to avoid liability from falls. Uneven surfaces, rough tile floors or carpeting with confusing patterns can be culprits.

☐ Use vertical blinds and tinted glass on windows to avoid glare.

☐ Use color-contrasted china and tablecloth. White on white can confuse failing eyesight.

Establishing rapport with key groups

A one-on-one contact and the resulting word-of-mouth advertising is one good way to sell your restaurant. But making contacts with specific individuals or groups is another effective way to reach the older market. There is probably at least one retired-persons' club in your town. Get together with a key person in that club to plan a joint activity at your restaurant. In addition to organizations for older adults, government agencies, religious groups, unions, academic institutions and service organizations like the Kiwanis and American Legion could be other good points of contact.

A list of key persons in the lives of older individuals would be incomplete without mentioning family. Many mature adults live with sons or daughters or see them regularly. Adult children often do things with their parents, and going out to eat is a favorite activity. Adult children also make recommendations to their parents. That's why it's a good idea to design at least some of your advertising and promotions to appeal to both generations.

Grandchildren hold a special place in the lives of older Americans. Grandparents Day, the first Sunday after Labor Day, commemorates this tie. Set-price specials on brunch or dinners, buffets, special menus, reduced rates for children, and take-home family photographs are just some of the many ways restaurants persuade the whole family to celebrate the day by having a meal out together.

Pamper your mature customers

Your older customers may not like being separated from the mainstream, but that doesn't mean they don't enjoy being catered to. Keep in mind that the baby-boomers, a generation that has always been catered to, will expect this special treatment to continue when they reach 50+. Also, many seniors grew up in a time before self-service was so well accepted; customer service was taken for granted then, and they still expect it and appreciate it now.

Conti goes out of his way to welcome the large number of his customers who are older. "We often serve groups of active seniors in their 90s. Why do they come here with their walkers, their canes and their wheelchairs? We treat them all like family. We give them the best tables; we make everything accessible; we make it possible for them to function easily and comfortably. We help them with their chairs, adjust their lights. We fuss over them like they were our grandmoms. When they leave, we thank them and give them a big hug. Treat seniors well, and they will be the most loyal customers you ever have," says Conti. ❑

To find out more

Although numerous general-interest, business, marketing and human-resources publications provide information that in one way or another is useful to those who market to the 50+ consumer, generally speaking, their coverage of the mature market is sporadic or sketchy. Thus businesses that want to keep in closer touch with mature-market activity should use other periodicals to supplement these general reading materials. The following list identifies those that you may find particularly helpful.

Magazines/newsletters for the mature market

☐ *Golden Years*, P.O. Box 537, Melbourne, FL 32902-0537; (407) 725-4888.

☐ *Grandparents Today*, 249 W. 17th St., New York, NY 10011; (212) 689-3600.

☐ *Mature Outlook*, 6001 North Clark St., Chicago, IL 60660; 1-800-336-6330.

☐ *Modern Maturity*, 3200 E. Carson St., Lakewood, CA 90712; (213) 496-2277.

☐ *New Choices*, 28 W. 23rd St., 10th Floor, New York, NY 10010; (212) 633-4600.

☐ *Renaissance*, 7 Ash St., Salem, MA 01970; (617) 744-9799.

Magazines, newsletters and journals primarily for those who employ, serve or market to the mature adult

☐ *Aging Magazine*, Superintendent of Documents, Government Printing Office, Washington DC 20402-9371; (202) 245-0352.

☐ *Aging Network News*, P.O. Box 1223, McLean, VA 22101; (703) 734-3266.

☐ *Generations*, American Society on Aging, 833 Market St., Room 512, San Francisco, CA 94103; (415) 543-2617.

☐ *The Gerontologist*, 1275 K St., N.W., Suite 350, Washington DC 20005; (202) 842-1275.

☐ *Newsletter of the Mature Market Institute*, 20 Chevy Chase Circle, N.W., Washington DC 20015; (202) 363-9644.

☐ *Older American Reports*, Business Publishers, Inc., 951 Pershing Dr., Silver Spring, MD 20910; (301) 587-6300.

☐ *Perspective on Aging*, 600 Maryland Ave., S.W., West Wing 100, Washington DC 20024; 1-800-424-9046.

☐ *Selling to Seniors*, 8204 Fenton St., Silver Spring, MD 20910; (301) 588-6380.

☐ *Senior Market Report*, 314 W. 53rd St., Suite 205, New York, NY 10019; (212) 974-3285.

—Jeff Ostroff, *Successful Marketing to the 50+ Consumer* (Prentice-Hall, 1989)

BARGAIN-HUNTERS

VIEWPOINT

HOW TO DISCOUNT YOUR PRODUCT WITHOUT SABOTAGING YOUR IMAGE

by Tom Feltenstein

As competition in the fast food segment heats up, some chains are relying more and more on coupons and special discounts to draw sales. Although in the short term discounting can be effective in getting consumers to try a new product, this tactic cannot be counted on to maintain sales.

We could learn from the cruise industry, which has discovered consumers are indeed trainable. A major cruise line will announce its summer schedule well in advance and do all it can to persuade travel agents and passengers to book early.

Then, as summer approaches and berths go unfilled, the cruise line will slash its fares by as much as 50 percent. The result is passengers learn to book late rather than early, giving the cruise industry's financial planners one nightmare after another.

Discounting does not build loyalty

The same is true of fast food customers. When given coupons for pizza or chicken dinners often enough, they eventually learn not to buy such items without a discount. Discounting, contrary to popular belief, does not build product loyalty.

The sole purpose of discounting is to drive customers into the store. The rest—add-on sales, building customer loyalty and encouraging repeat visits—are challenges the store owner must meet after the customer arrives at the counter.

The trick is to discount in such a way that you do not sabotage the integrity of your menu. Disguise the lure so that it is perceived as something other than an attempt to discount mainline items.

Customers identify with products on a number of levels, including taste, appearance, aroma and, of course, price. Customers always want to get what they paid for, sometimes even a bit more. If you offer your product with a cents-off coupon, customers perceive that as a value.

But over time, discounting is bound to raise a question in the consumer's mind about the integrity of your pricing structure. If an ice cream cone sells for $1.25, that tells the consumer an ice cream cone is worth $1.25.

However, if you continue to offer 25-cents-off coupons, the customer begins to feel that ice cream cones are worth no more than $1. If such promotions continue, this will be the price consumers will expect to pay.

Once a retail price has been selected for a menu item, that price should never be discounted. A product's price is part of its position in the marketplace, and discounting it will have a detrimental effect on the perception not only of that item but also of your whole store or chain.

The bottom line is that any promotion that weakens the integrity of your store's retail-price structure violates sound marketing principles.

How to discount

If you are going to discount, you should put together a package separate from your regular offering, which will not negatively affect your customers' perception of the value and price of your menu.

In the case of new items, establish a retail price in your mind, then offer a reduced price as an introductory offer only. After a predetermined period, bring the price up to the retail level you had set prior to the discount.

Better yet, offer to give away one new item free for a limited time, which will encourage people to come to your store and, ideally, lead to sales of other items.

The fact is, discounting to an already existing customer base offers no benefits such as increased trial or repeat business. Instead, it may erode years of positioning efforts.

If you intend to rely on discounting promotions, take a longer look at your operation. Don't use discounting casually to build sales. The long-term effect will be reduced respect for your menu and pricing structure.

Use the promotions to generate traffic during specific periods, to build interest in new products or even newly refurbished stores. And remember, once you get your customers into the store, it is going to take more than a cents-off coupon to keep them coming back. ❑

Tom Feltenstein, a former marketing executive with McDonald's Corp. and Burger King, is founder, chairman and chief executive officer of American Restaurant Marketing Group, based in West Palm Beach, Florida.

GIVE T
GIM

by Nancy

AND THEY'LL GI

The world's largest ice cream cone, a live cow on opening day, a chopped-liver sculpture of Brooke Shields. Such gimmicks—or "media events," as public-relations people call them—are designed to get publicity for your restaurant. They're usually inexpensive, creative and funny. They can increase customer traffic or raise revenue for your business. But gimmicks—if not well planned and executed—can bomb or, worse, embarrass your restaurant. Diane Shrago, senior vice president of S&S Public Relations, Inc., well known for the gimmicks it has staged in the Chicago area, offers some guidelines to follow when creating the ultimate gimmick.

☐ Gimmicks are risky, says Shrago. They have to be extremely well planned from start to finish, or the desired effect could backfire. Gimmicks should also be used only occasionally. Sponsoring a different gimmick every month, for instance, could diminish the effect.

☐ A gimmick should be outrageous but not offensive. Often there is a fine line between the two, and "you have to be very careful not to step over that," says Shrago. Ask employees or friends to tell you what they think.

☐ A gimmick can be offbeat, however. Stephen Beninati and Richard Nicotra, founders of Everything Yogurt, caused a stir when the 1976 grand opening of their first store in Manhattan featured a live cow. The stunt caught the attention not only of startled passers-by but also of the *New York Times*, which covered the event after hearing that a live cow would be grazing in front of the newly opened store. It was the first time that many New Yorkers had ever seen a cow in the flesh. Because of the promotion's huge success, the Staten Island-based company adopted a cartoon rendering of the cow as part of its logo. A live cow has made guest appearances at many of the company's 250 frozen-yogurt/sandwich stores around the country.

☐ The best gimmicks are timely and pertinent. You want people to associate the company with the gimmick when they talk about the event. Shrago recalls a hit gimmick that was not only outrageous but timely. When S&S Public Relations was a start-up company, it represented Mel Markons, a small restaurant in Chicago that was widely known for its chopped liver. The president of S&S, Steve Simon, arranged to have a local artist fashion a sculpture of Brooke Shields (because she was very popular at the time) out of chopped liver. He paid the artist $200 for his work. The chopped-liver sculpture was pictured in *People* magazine and warranted one of *Esquire* magazine's "Dubious Achievement" awards.

☐ "The biggest is always the best," says Shrago. Nothing attracts the press more than touting a gimmick as the biggest in the world. Shoot for the *Guinness Book of World Records*, the encyclopedia of gimmicks and crazy stunts. S&S once built the world's largest ice cream cone for Gertie's Ice Cream Parlor in Chicago. It stood 10 feet tall and was filled with more than 50 gallons of vanilla ice cream. It cost less than $1,000 to build: the cone itself cost only $200.

Max Karl Winkler

☐ Make sure the press knows who's sponsoring the gimmick. Sometimes the gimmick itself can attract so much attention that the sponsoring company or organization is overlooked by the press.

☐ If your gimmick gets widespread, good publicity, be prepared for a huge influx of orders, calls and customers. Not being prepared can kill your business. Several years ago, S&S came up with an idea for "fortune bagels"—the Jewish equivalent of fortune cookies—for Simon Brothers Bakery in Chicago. The gimmick was such a success that the company nearly went bankrupt.

A Chicago TV reporter for an NBC affiliate had done a segment on the fortune bagels, and the story made its way to Linda Ellerbee, who anchored the show "Overnight." She opened up several bagels, which contained fortunes in English and Hebrew, on national television. Associated Press and United Press International wire

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Nancy Croft Baker is coauthor of the ***Frugal Marketer*** *(1989: AMACOM, New York), a book filled with marketing ideas that are easy to adapt.*

HEM A MICK

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oft Baker

services also picked up the story and sent it to newspapers across the country. Orders for the fortune bagels poured in; and the little bakery—though it tried valiantly to honor the orders—couldn't keep up. "It was an idea that should have been done by a much larger company—one that could have handled all the orders," Shrago says. "Unfortunately, they weren't able to capitalize on their good publicity."

□ Look for photo opportunities. Local newspapers are always looking for good photo fillers, and gimmicks should always lend themselves to a good shot. Sonic, a chain of drive-in restaurants based in Oklahoma City, Oklahoma, credits its success to feeding people's love of nostalgia. The 1,000-unit fast food chain features 1950s fare and service. Carhops donning poodle skirts, ponytails, and roller skates serve burgers and shakes to customers in their cars.

One of the chain's biggest promotions is its annual "National Carhop of the Year" award. Last year 6,000 young women competed for the title, which is awarded for personality, intelligence, community service and wholesome appearance. Sue Phillips, the reigning 1990 carhop, received a $1,500 cash award from the chain's parent company (Sonic Industries), as well as a racing bike, color television, gold charm bracelet and 35mm camera donated to the contest by Coca-Cola USA and RCA.

The *Dallas Morning News* and the *Houston Chronicle* featured hefty articles about the event, which takes place in Dallas. There was also considerable coverage on local television news programs.

If you can't get a newspaper photographer to attend the event, arrange for an independent photographer to take photos and send them to local papers. Provide a brief description of the event, including who or what is pictured in the photo, as well as your restaurant's name and phone number.

□ Be prepared for the unexpected. There is nothing more serious than a gimmick that flops, especially if you invest a lot of money and time in it. One way to circumvent a flop is to have a solution for anything that could possibly go wrong. For example, one Valentine's Day, a Chicago ice cream and candy store had arranged to present the oldest woman in the city with a heart-shaped box of candies. The public-relations firm that coordinated the campaign located a 103-year-old woman and sent out press releases with her name, age and details about the presentation to local media. The woman died a day before the promotion. Although the firm had done its homework and presented the next oldest person, a man, with the box of candy, there was no way to avoid an awkward meeting with the press people who appeared the next day.

□ Always be honest with the press. Have facts and background material about the company or organization ready for the press when it asks for it. Never try to cover up for not being prepared. It can be a source of negative publicity or no publicity at all.

□ A word of caution about sponsoring celebrity look-alike contests. If this is the way you choose to get publicity, make sure the celebrity you select and the prize you offer will draw contestants. S&S arranged a Superman look-alike contest for a new restaurant (Cousin's Restaurant in Chicago) after the release of the movie *Superman*. There was a great turnout of press people to cover the event—but no one entered the contest. The restaurant was clever enough to make lemonade out of lemons and served the press free dinners and drinks. The media was so impressed with the restaurant's sense of humor about the flop, as well as its appetizing fare, that several favorable articles were written about the restaurant.

□ To get the press to attend the event, make press releases creative and use clever plays on words to pique the media's interest. Have fun with the release, but make sure to give all the facts about the event and then follow up with a phone call to remind reporters. "If you want the press to be there, you've got to call every one of them," says Shrago. "A lot of times they don't receive press releases, or releases get lost in the shuffle." ❑

FOREIGNERS

WHEN FOREIGN MARKETS BECKON

When McDonald's planted its golden arches in Moscow, it was a milestone in international expansion. But it was not a move made lightly. Here are some pointers to consider if you, too, hear the call of foreign markets.

by Mahmood A. Khan, Ph.D.

International markets provide new dimensions for expansion, but there are factors that should be considered before reaching a decision to enter a foreign market.

1. Political environment

Consider the political environment carefully. A government that favors franchising or a certain franchise may be replaced by one that is hostile. It is well known that Kentucky Fried Chicken had to temporarily shut its two Beijing, China, units—one of which is in Tiananmen Square—out of concern for employees' safety during the student uprising in the summer of 1989.

A phenomenon known as "guilt by association" should be taken into consideration. No matter what the economic significance of a franchise is to a particular country, American franchises will always be regarded as representatives of the United States. So there may be occasions when these franchises can become targets for attacks by a government or the public. Insurance against such risk is hard to obtain in foreign countries. Terms and conditions of contracts should therefore be written in such a way that there is room to exit or adapt to unfavorable situations.

Although it can be very hard to gauge political stability, history and the political environment are good indicators. Two political events that are being watched carefully are the return of Hong Kong to China and the economic cooperation of European countries in the 1990s.

2. Monetary policies

Associated with the political environment is a country's monetary policies. It may be difficult to get money out of the country and the fluctuating currency can have an effect on the profitability of an operation. On the other hand, certain countries may provide incentives for foreign investors. In addition, franchisors should find out about tax and tariffs associated with conducting business in a particular country. Some countries have quotas that need to be filled for foreign investments.

3. Culture and traditions

A product that may be popular in the United States may not be acceptable in all countries. For example, a trade name may have an inappropriate meaning in other languages. Also, the cultural food habits have an enormous effect on food selection, acceptance and popularity.

There are certain countries—such as some Arabic nations—where food items, such as pork and pork products, may not be acceptable for religious reasons, ruling out the success of such breakfast items as bacon and sausage.

Animal products or combinations of certain ingredients may not be desirable in other countries. For example, imported beef is very different from Korean beef. It has a different smell and taste, so Koreans avoid it, opting instead for domestic meats. Menu changes and changes in ingredients become necessary for such foreign markets.

In many countries breakfast is not a popular restaurant meal, and dinner is eaten later in the evening than in the United States. For example, eating at 9 or 10 p.m. is customary in Spanish restaurants—eating at 6 or 7 p.m. is considered peculiar. Eating styles and meal timings can be distinctly different. Social customs can also vary. Some countries find it distasteful to eat without a knife and fork and biting with the mouth wide open—which can make it difficult to serve hamburgers.

4. Demographic and economic data

An accurate demographic study of the target population is essential before operating a franchised restaurant on foreign soil and should be undertaken as a part of the feasibility study. Age, sex and available disposable income should be carefully evaluated, with special emphasis on the potential for changes in the near future. (Demographic changes may be more distinct and rapid than in the United States.) For example, in some countries, such as Taiwan, young people consider eating at an American franchise restaurant to be a special social occasion.

Locations can be even more critical—and expensive—overseas. According to one observer, in Hong Kong being 50 to 100 meters on the wrong side of the going-home entrance of a subway station can make the difference between success and failure.

5. Availability of resources

It can be difficult to meet certain food specifications in other countries.

Mahmood A. Khan, Ph.D., is a professor and assistant head of the department of hotel, restaurant & institutional management at Virginia Polytechnic Institute and State University in Blacksburg, Virginia.

A LESSON FROM A LEADER

Big Macs for rubles. Amid great fanfare and extensive media coverage, the largest McDonald's restaurant in the world opened its doors in Moscow on January 31 within walking distance of the Kremlin. More than 30,000 Soviet citizens waited happily in long lines because they knew there were enough Big Macs, Chicken McNuggets, french fries and shakes to go around. And 630 well-trained servers (from a pool of 25,000 applicants) handed out the orders.

Although the timing for the opening of Moscow McDonald's couldn't be better, with the continued warming of relations between the Soviet Union and the United States, preparation for this momentous occasion was lengthy and arduous. It took 12 years to complete the negotiations, resulting in the largest joint-venture agreement between a food company and the Soviet Union. The contract provided for an initial 20 McDonald's units in Moscow and a state-of-the-art food production and distribution center to supply the restaurants with the top-quality ingredients the company demands in all of its locations. "We negotiated long and hard with the Soviets, but our philosophy of QSC&V (quality, service, cleanliness and value) was the one item that was non-negotiable; and our Soviet partners agreed," says George A. Cohon, president and chief executive officer of McDonald's Restaurants of Canada Limited.

But behind this oft-told tale of perseverance and cooperation is a story of a company that has carefully positioned itself to take advantage of one of the world's most lucrative potential markets. McDonald's is no stranger to pioneering into new territories. The Soviet Union is the 52nd country to welcome McDonald's, and Russian is the 28th language in which the company operates around the globe. But it is the sheer magnitude of the Soviet market that makes it so noteworthy. As Cohon explains, "With more than 291 million people spread across the world's largest country, the Soviet Union represents the largest potential market of new customers for us to date."

McDonald's has demonstrated its desire to cultivate the Soviet market by making the ruble acceptable as payment for its fast food meals—unlike most Western-style restaurants that accept only hard currency. Accepting the ruble is a sure way for McDonald's to win the heart—and the loyalty—of the average Soviet citizen who does not have hard currency and is therefore denied access to many Western items. When and if the Soviet marketplace does expand, McDonald's will be poised to take advantage of the shift, having established a firm foothold with Soviet consumers.

For example, certain products may not always be available or not available in sufficient quantities to keep pace with the demand. For this reason, the McDonald's Corporation operates its own meat, potato and other processing operations in Moscow to ensure a sufficient supply of high-quality ingredients.

Moreover, even when products and ingredients are available, they may not function together in the expected way and can result in an unfamiliar end product. For example, if fresh biscuits are to be prepared, flour and other ingredients (obtained from local sources) can result in a different quality product. Equipment availability and performance may also vary. In certain countries the power supply or water supply can be regulated, which can affect production and service. Storage facilities are not always available, and temperatures may dictate the extent to which products can be stored. In short, the potential for conforming to the standards and specifications of a franchisor should be carefully assessed and tested.

6. Joint ventures

It is advisable to engage in joint ventures in foreign countries to ensure that the franchisor has a committed partner who understands the foreign system and can function as a representative. For example, some countries have complicated bureaucratic procedures or complex political considerations that require an insider's knowledge, otherwise delays in getting minor approvals can take months at times.

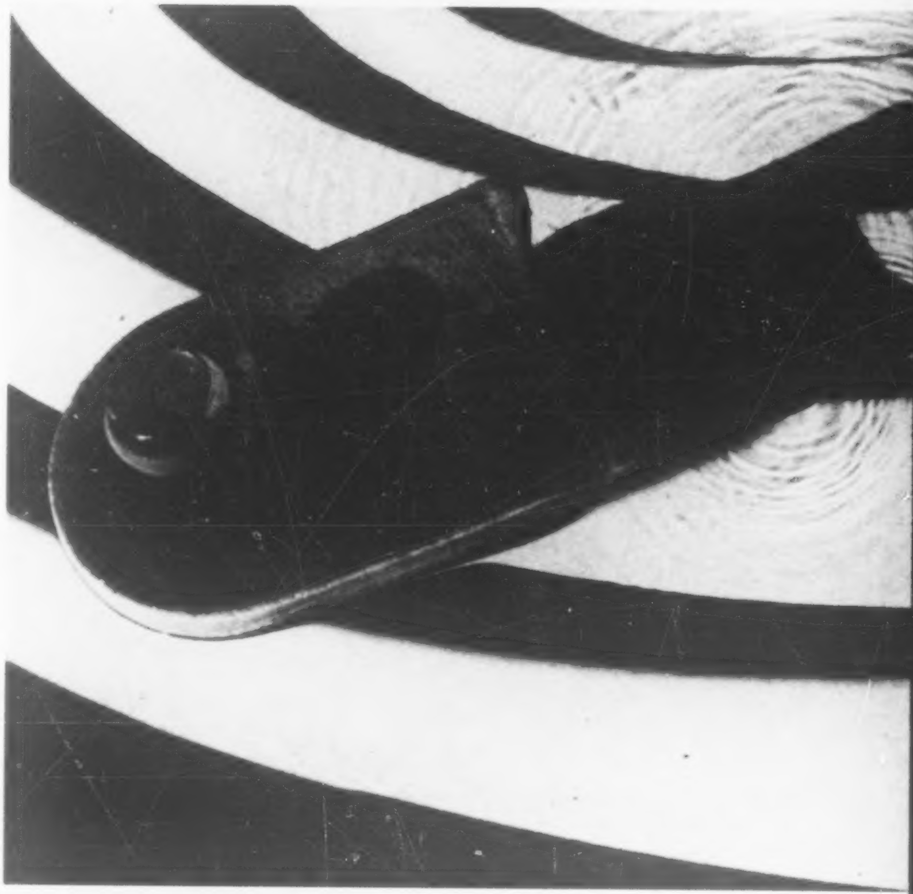
Finally, the success of other franchise companies, regardless of the products or services they provide, should be studied. This will provide an overall picture of the business environment as well as a basis for comparison. ☐

Notable trends in foreign markets

Some notable trends that favor the increase of franchising in foreign markets include:

☐ an increase in the number of educated individuals in the world population,
☐ technological advancements facilitating travel,
☐ intercultural exchanges,
☐ the willingness of the younger generation to try new products and unconventional types of foods,
☐ the movement of populations to urban and industrial areas,
☐ increased disposable incomes,
☐ increased numbers of women in the workforce and
☐ increased significance of convenience.

HEALTH-CONSCIOUS



SPA FOOD

Ideas for your health-minded guests from chefs who have made a career out of preparing tempting low-calorie foods

by Claire Regan, R.D.

Health spas have built their reputations on pampering their guests. Set in exotic locations with ideal climates and magnificent views, health spas often provide luxurious accommodations, state-of-the-art fitness equipment and enough beauty services to transform a frog into a prince—well, almost. Understandably, the chefs who work in spas face a unique challenge: how to provide meals that meet the guests' nutritional requirements, without compromising taste and appearance. Christopher Wood, spa chef at La Costa Hotel and Spa in Carlsbad, California, sums up the trials: "Our guests have been to all the best resorts, and they expect the best. Some of them quit smoking or stop drinking alcohol while they're here and are working out at a rigorous pace. By the time they sit down to dinner, they are in no mood to be displeased."

And it is this effort that has inspired talented chefs like Wood to create dishes that are giving spa food a new image and are teasing operators to take note and adapt some dishes for their health-minded customers. "Ten years ago the food served in spas consisted of cottage cheese, lettuce, ground round and black coffee," says Edward J. Safdie, developer and owner of resorts and health spas. But those days are long gone. Safdie, author of the visually arresting *Spa Food*—which features menus and recipes from the Sonoma Mission Inn and Spa (a property Safdie developed and since has sold)—helps to change the approach to so-called spa cuisine. Drawing on his Middle Eastern heritage of common-sense low-fat eating, Safdie added the California approach to freshness with a French style of presentation. "It's the classics and standard food reworked," he says. For example, Safdie's cabbage leaves stuffed with sauteed onion, fluffy bulgur, sunflower seeds, raisins and freshly grated ginger are a far cry from their traditional Polish roots.

Lavish seasonings

"Guests are always astonished that our spa dishes are so flavorful," Safdie reports. "We do season lavishly. But instead of salt we use fresh herbs and spices, especially pepper and garlic, as well as reductions of lemon and lime juice and double-rich stocks—reduced twice to intensify flavors. We thicken our sauces with arrowroot or vegetable purees rather than flour, cream or butter; and we design our preparations to make the most of each ingredient's color, texture, flavor and aroma."

Today's spa chefs are drawing ideas from ethnic foods and regional specialties. Deborah Evans, general manager of the Lake Austin Resort in Austin, Texas, has successfully adapted southwestern cuisine to her low-fat style of cooking. "We take advantage of the local bounty and grow our own organic produce and herbs. We use flavorful vegetables, like peppers, onions and tomatoes, and make

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Claire Regan is manager/staff nutritionist at the National Restaurant Association.

our own herbal vinegar," she says. Fajitas, enchiladas and oven-fried chicken are favorite entrees among the guests at Lake Austin Resort. Evans recommends steam-baking tortillas in the oven rather than frying them. "Use a stoneware tortilla warmer or wrap tortillas in wet cloth and then in foil and bake until done, approximately 10 to 15 minutes at 350° F.," she writes in her book, *Spa Specialties*, a collection of recipes developed at the resort.

Her keen interest in nutrition motivates Evans to constantly experiment with low-fat cooking. "It's easy, and often it's just a matter of making a few subsitutes. But the low-fat version should taste like the real thing. If I can't get the taste, I won't convert a recipe. Chocolate-chip cookies are an example of something I just can't replicate," she quips.

When Christopher Wood recently revised La Costa's spa menu, he chose to move away from the California spa-cuisine concept—light cooking, small portions and big flowery garnishes—to incorporate a variety of cuisines, such as Asian, Mexican, Italian and classical. Bean tostadas, beef and shrimp Oriental, linguini with clam sauce, and salmon and raspberries in phyllo are a few of Wood's creations. "Any entree wrapped in phyllo dough is popular," he reports. "One sheet is all you need, and that's only 55 calories. I use a nonstick spray, wrap the fish in the dough and bake it."

For CIA-trained chef Wood, adapting to the spa way of cooking was a matter of changing his methods and way of thinking. For example, Wood has developed new sauces to eliminate the extra calories. He created a beefless brown sauce using poultry stock, red wine, lentils and seasoning, which he cooks, strains and purees to sauce consistency. "At breakfast I downplay the steak and eggs. I serve hot and cold cereals and whole-grain pancakes with spa syrup. I take maple syrup, stretch it with water, add maple extract and bind it with cornstarch," Wood explains.

Presentation pointers

In addition to providing innovative cooking techniques, spa chefs have been leaders in making food look appealing. Edward Safdie describes nutritious, beautifully presented food as the "bedrock of any spa program." Presentation is a key component to the foodservice at the Sheraton Bonaventure Resort and Spa in Ft. Lauderdale, Florida. "Some of our guests look forward to their meals, so they have to look and taste fantastic. Something as easy as floating fresh herbs on soup makes a big difference," says Julie Bravo, R.D., Bonaventure's nutritionist. Chef Keith Stuart agrees. "Next to taste, presentation is the most important factor in spa cuisine. I want my guests to look at the food and say, 'wow.' I use a variety of colors to brighten up the plate—for example, purple lettuce, green snowpeas contrasted with orange carrots, and lots of fresh herbs."

NEW ORLEANS BAKED BANANAS

Serves 4

Ingredients:
2 bananas
1 Tbs. grated orange rind
1 Tbs. honey
1 Tbs. fresh orange juice
1 tspn. vanilla extract
1 tspn. unsalted butter, cut into 4 pieces

GARNISH
Julienned orange rind (optional)
1 vanilla bean, cut into 4 pieces (optional)

Method:
Preheat oven to 350° F. Cut 4 pieces of foil, each 4 x 6 inches.

Peel the bananas. Cut them in half lengthwise and place each half on a foil rectangle. In a small bowl, mix the orange rind, honey, orange juice and vanilla extract. Spoon over the banana halves. Top each with a piece of butter. Fold over the foil once and crimp the ends to seal. Place on a baking sheet and bake for 5 to 8 minutes; if the bananas are really ripe, they will cook in about 5 minutes.

To serve, slash the bananas in 5 places along the outside edge and curve into semicircles. Pour the juices over the fruit and garnish with orange rind and vanilla bean.

Nutritional value per serving: calories: 82; fat: 2 grams (14 percent of calories); cholesterol: 3 milligrams; sodium: 1 milligram

—Edward J. Safdie, *Spa Food*

Christopher Wood strives to add height and color to his plates to compensate for smaller portions. Shredded lettuce and radishes and diced tomatoes do the job on his bean tostada, while Edward Safdie often relies on low-fat fruit and vegetable-based sauces as a base for the food. "Look at it as artwork," Safdie encourages. "The plate is the canvas and the food is a palate of color. Spread the food out, fan the vegetables. A sleight of the hand can create an illusion of more food. People often remark that they can't eat all this food. Their eyes perceive it as too much." In his New Orleans Baked Bananas (see recipe), the bananas are slashed in five places along the outside edge and curved into semicircles. This creates an appealing design that fills the dessert plate with half a banana.

Learning from failures

Despite their success, these talented culinarians have experienced a few failures during their experiments. Julie Bravo warns against adding yellow food coloring to egg-white omelets. "They have no color and are pale, but the guests at the Bonaventure are educated. If we add color, then they think the omelet has yolks and they question it."

Bonaventure's chef Keith Stuart deems his first attempt at key-lime yogurt pie a "major flop." "I used an artificial sweetener (aspartame) that doesn't hold up to heat. It lost its sweetness, and the pie tasted bitter. It was nasty." Stuart was able to perfect his recipe, now a favorite among guests, using fructose.

Desserts also posed a challenge to La Costa's Christopher Wood. "The dietitians told me to bake without fat, and I said, 'impossible.' The average cake contains flour, butter, eggs and sugar. But I've found that pureed bananas work well as a substitute for butter. It coats the flour just like fat does. And I use whole-wheat flour, egg whites and fructose or mixed-fruit-juice concentrate as sweeteners."

By using these techniques it is easy to offer spa-style dishes without devoting the entire concept to spa cooking. ❑

KIDS

PROMOTIONS FOR PINT-SIZ

No issue on restaurant markets for the 1990s would be complete without a story on children. Here are some ideas for wooing young customers.

Kids may be small, but their influence is big—at least when it comes to family eating-out decisions. That's why it is no surprise that some of the most creative and successful restaurant promotions are targeted to the pint-sized market. In *50 More Promotions That Work in Restaurants*, published by American Express as a sequel to its first blockbuster—*50 Promotions That Work*, seven of the programs mentioned are targeted to children. Here's a look at those promotions to spark ideas for programs you may be able to introduce in your establishment.

Bringing in new customers

1 The Saturday Lunch Club. "The Saturday Lunch Club" at The Fountain Restaurant, the 106-seat establishment at the Four Seasons Hotel in Philadelphia, brings in a whole new class of customers—customers who bring their parents. The club introduces children aged eight to 14 to the pleasures of elegant dining, complete with conversation. The children dress their best when they come to sample foods normally prepared for more sophisticated palates, and several come a good distance to participate.

On the first Saturday of every month, the chefs prepare a meal that focuses on the foods of various countries for a group of up to 45 youngsters and their parents. "We want them to try something new," says Stephan DeMichelis, former chef, "something they have never eaten before." Courses have included osso bucco Milanese, paella and sauteed veal chop with Swiss chard and spaetzle. When the meal is over, kids visit the kitchen for a demonstration and a simple hands-on introduction to the work that goes into putting the meal together. Everyone leaves with recipes, brief information about the culinary tradition of the country or region, and samples of their efforts, to share at home.

The program cultivates future customers and gives The Fountain's traditionally slow Saturday-lunch business a boost. Jean-Marie Lacroix, executive chef, runs the program as an addition to the restaurant's regular Saturday-lunch service. "Other guests in the restaurant react very positively to the children . . . . We don't want it to be a closed affair," he adds.

The fixed-price luncheon is offered at $25 per person and has been promoted through mailings to the restaurant's regular customers. The public-relations value of the program got the restaurant lead-story coverage in the food section of the *Philadelphia Inquirer.*

2 Stroller valet. It's obvious from the way general manager Don Bruyn deals with children that he must have a few of his own: "If you get down on your knees and speak to them eye-to-eye, they respond." The way he manages kids is one of the trademarks of this "madman genius," as he's called by the local media.

Bruyn has put the 118-seat Back Bay Rowing Club in Costa Mesa, California, on the "kid map" of restaurant destinations. Families (mostly mothers and children shopping in the mall where the restaurant is located) account for 30 percent of the restaurant's total business. And it's no surprise.

Parents and kids are greeted at the door by a "Stroller Valet Parking" sign. Back Bay places a detachable tag on the stroller handle, giving the parent a "claim check." They usually leave the tag (with Back Bay's name on it) on the stroller after they leave and stroll the mall, sending a clear message to other mothers with hungry children.

The staff provides younger children with booster seats and high chairs. They're also given crackers and spoons immediately to keep them occupied. Glasses come with colorful plastic animals hanging from the sides. And there's always a loaded Polaroid around (pictures are given to the kids at the end of the meal).

Mothers are fans, too. Restless kids are easily pacified by a tour of the kitchen (they're amazed by the giant icemaker). And Bruyn suggests that his "younger guests" put the plastic animals on their toothbrushes when they get home.

Back Bay does not advertise. Loyal customers do it for them.

Building repeat business

3 Model trains. What kid could possibly resist a model train moving overhead on an elevated track? That's the basis for Spangles' enormously successful marketing strategy directed at families with children. Not necessarily intended to be a "family restaurant," in the few years it has been open, the 60-seat restaurant has become a destination for parents and kids in Brentwood, California.

Spangles does not have a "kids' menu," but its large regular menu includes items like burgers, hot dogs, and macaroni and cheese. All items

I Survived "EL GIGANTE BURRITO"
at
MONTEREY'S MEXICAN GRILL

D PATRONS

are available in half portions. And waiters don't say no to any request regarding customizing food to the child's taste (or the adult's, for that matter).

Although families now account for 45 percent of Spangles' business, others are not put off by the children, says Peter Sachs, owner. "The children are usually very well behaved. And our customers know that most families dine early (5 to 7 p.m.). So if they think they'll be disturbed during those family-intensive hours, they come in later."

The restaurant is conducive to family dining in other ways, too. For instance, the layout allows for large groups on special occasions like birthdays and holidays. The restaurant provides booster seats and high chairs, delivers books about trains to the table as soon as children are seated and automatically serves all drinks to kids in styrofoam cups with lids. Spangles' staff loves kids. In fact, Sachs asks all of his applicants how they feel about waiting on children. If they have any reservations, they're usually not hired.

What do the kids think? Sachs reports that almost all of the regular "kid" customers know when cars have been added or taken away from the model train. "They bring in their parents."

4 **Tomato Club.** Who belongs to the Tomato Club? People who are very clear about the foods they like and those they don't, who have a growing interest in dining out and who have a strong affinity for Grazie, a 275-seat restaurant in Newton Corners, Massachusetts. For the most part this means people under the age of 10.

Gary Oleson has the right idea about getting kids involved at the restaurant he manages. For example, he puts children on a special mailing list (they love filling out the form and receiving mail of their own).

He also holds a coloring contest at Grazie every month. Children in four age groups make their best attempts at coloring a picture (one was a scene of performing seals; another depicted Venice). The incentive? "If you win, you take the family out to dinner, your treat!" Kids are thrilled by the prospect.

Oleson's instructions: "Carefully fill out your name and address at the bottom [of the picture], and even if you don't win this time, you will automatically become a member of the Tomato Club, which means you'll get cool stuff in the mail all about special events at Grazie for kids—like kids' cooking lessons or having your birthday party at Grazie!"

Each month Oleson selects two winners in each age group (one girl, one boy), and displays their works of art. The children love it, but parents are just as pleased.

Oleson says the secrets of success in attracting families are to show them that they are welcome and to keep the kids busy—with menus, paper tablecloths and crayons, and food. He also pays attention to nutrition and ensures that food "looks like kids expect it to."

Parents and children of all ages account for about 75 percent of Grazie's booming business. By promoting to kids, Oleson ensures that Grazie is a family favorite.

5 **Seasonal promotions.** America is not a restaurant created specifically for families with children, but some savvy promotion ideas have made the 300-seat restaurant a destination for many Manhattan parents. Manager Vincent Pascal, vice president, Ark Restaurant Corporation, says, "Saturdays, kids own the place."

Family promotions revolve around holidays, but the interest the events generate helps build family business year-round. For Easter, restaurant staff members paint Easter eggs, then cover the 2,000-square-foot bar with colorful "plastic grass" and hide the eggs for a hunt. Two staff members dress up as Easter bunnies to entertain and help the kids with the search. The staff, the kids and the parents all have a great time. For the Christmas season, America hires a "department-store" Santa Claus to listen to the kids' wish lists. These are just two examples of special events, which are promoted through brochures distributed in the restaurant. America does not advertise.

The restaurant is a big (cavernous, really), colorful place. Its walls are covered with brightly painted murals of American motifs, such as the Statue of Liberty and the American eagle, and it is decorated with neon tubes. The space is designed to accommodate a lot of noise and movement, which makes parents comfortable. The restaurant's regular offerings include such kiddie favorites as mini-gourmet pizzas, hamburgers, macaroni and cheese, and peanut-butter-and-jelly sandwiches. Not having a separate children's menu is one of many ways that kids are simply integrated into the scene.

Staff are trained to treat children like valued customers: "We often buy them a free dessert." Pascal says both the kids and their parents respond. But don't be fooled, "Kids decide where parents eat."

6 **El Gigante Burrito.** Bigger is better at Monterey Mexican Grill. Its biggest and most successful promotion to date revolves around the El Gigante Burrito, a formidable four-pound chicken burrito that owner Al Mendoza has offered to customers for the last two years . . . with a challenge. Anyone who has been able to eat the burrito has joined the ranks of local folk heroes in Petaluma, California. You can recognize them from their "I Survived El Gigante" T-shirts, as they bring friends into Monterey's to see their glossy photos.

For any promotion to be successful, it must capture the interest of the restaurant's target customers. In Petaluma, customers have literally gotten carried away. More than 1,000 people have ordered El Gigante to date, and only 300 have managed to polish it off. But the interest, and the press coverage, that El Gigante has generated has built a large and loyal customer base for the restaurant.

El Gigante stories abound. One nine-year-old came back four days in a row, but finally finished his. Two 10-year-old boys shared one, then tried to get into an XXL T-shirt together to have their picture taken. A group of 18 business associates came in one day, and guess what each of them ordered? For those who've survived, there's the El Gigante Fan Club. At the end of the year they're all invited back for an El Gigante Burrito Bash, a fund-raiser for local charities.

The burrito itself is not a moneymaker. Its menu price is $12.50, and the hand-screened T-shirts given to those who finish it cost $7.50 each. "The idea," according to Mendoza, "has been to capture the community's interest and curiosity, and for customers to have fun." On both counts, the promotion's been a big hit.

Enhancing community relations

7 **Menu-designing course.** Some 22 fourth-graders design the children's menus each year for either Mick's or Buck's restaurant in Atlanta. The idea stems from Steve Nygren, president of The Peasant Restaurants, who has worked for years with Atlanta schoolchildren to introduce them to the hospitality industry in fun, hands-on ways.

In this case, marketing consultant Bette Kohl-Semrau runs a seven-week course called "Buck's Needs a Children's Menu." She developed the program while working for the company, but now runs it as a consultant. She explains, "Goals and strategies are set using input from the students, and everyone has an opportunity to accept the assignment and shake on the deal." Students are paid in food certificates.

Students begin the project with some market research. They study children's menus from other restaurants, survey friends and ask parents what they think makes a good children's menu. After a visit to one of the restaurants, they get some instruction on thumbnail sketches, balance, color, logo design, drafts and paper. After many rough drafts, hours of critiquing and weeks of "hard work"

. . . Happy landing on a chocolate bar

Once Christmas and Valentine's Day go by, most kids wait for their birthdays for the next big dose of sweet treats. But not the 100 or so children who happily accompany their parents to The Hotel Hershey's popular Chocolate Lovers Weekend, held every February in Hershey, Pennsylvania. This is no ordinary theme weekend where children tag along with their parents from workshop to workshop. It's Chocolate Town USA, after all, and the staff at this four-star destination hotel know how to roll out the chocolate carpet, especially for children. That's why some kids have returned three and four times (not bad for a program that has been running for only seven years).

This year the pint-sized set enjoyed a chocolate treasure hunt, chocolate bingo—with chocolate bars, kisses, sundae sets and Hershey-inspired calculators as prizes—and special workshops that included chocolate dipping and making animals out of modeling chocolate. There were chocolate socials; craft activities that included making chocolate-bar magnets and a Hershey bear puppet; and an "everybody's birthday party," complete with chocolate cake, make-your-own sundaes and Polaroid snapshots with a life-sized Hershey Bar and Reese's Peanut Butter Cup (Disney World, watch out!).

The meals had a generous dose of chocolate, too, from chocolate pancakes to Hershey-Bar mousse. No one left the weekend with too little chocolate, that's for sure.

Now this is all well and good for Hershey, you may say. But what does this have to do with me? Just think. With so many chocolate lovers nationwide, you, too, could plan a chocolate day or afternoon, perhaps during a slow season, to bring in sweet-toothed youngsters and their parents. Why not sponsor a chocolate party or a Hats-off-to-Hershey afternoon, with lunch included in the package? You could play any number of games from chocolate trivia, bingo or Jeopardy! to chocolate Wheel of Fortune. You could also sponsor your own chocolate demonstrations and workshops, making mud pies or chocolate mousse

Chocolate Lovers Weekend

A young confectioner dips strawberries in a workshop at the annual Chocolate Lovers Weekend at The Hotel Hershey.

(one hour per week), the menus are ready to be laminated and delivered to their client.

The result, "bold mixing of colors, and images of everything from cups and saucers flying off the table, to talking hotdogs and meatballs dropping from an airplane onto a dish of spaghetti," is exactly what The Peasant Restaurants want. And the kids invariably bring their parents in to view their own works of art. As Kohl-Semrau points out, "With students, parents, teachers and staff, you get something like 2,000 people per school learning about the restaurant."

Extensive media coverage has included news spots on two local TV stations, feature articles and photos in several local newspapers, and photos and limited coverage in local and national trade publications. In 1988, the program won the Georgia Governor's Award for Community Relations. ❑

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or perhaps decorating a small birthday cake. If your staff is creative, try The Hotel Hershey's idea and make animals out of modeling chocolate. Sausage-shaped dogs are cute and manageable.

If there are enough chocolate lovers in your area, the promotion could be the beginning of a sweet tradition! And if things don't work out well, there's always the chocolate lovers weekend next year for a getaway.

—*Sylvia Somerville*

MODELING CHOCOLATE

Melt one package (8 ozs.) of Hershey chocolate chips over a double boiler. Stir in 9 ozs. of glucose and mix thoroughly. Remove from heat and allow the mixture to cool.

HERSHEY BAR MOUSSE

Scald ¼ cup of milk. Add 1 cup miniature marshmallows to the milk and stir until melted. Melt 5 ozs. of Hershey milk chocolate and add to the mixture and then cool. Whip ¾ cup heavy cream until soft peaks form; then fold into the cooled mixture. Fill mold and refrigerate overnight.

NEW EMPLOYEES

FIRST IMPRESSIONS

HOW TO MARKET YOUR COMPANY TO PROSPECTIVE EMPLOYEES

by Jeff Harrison

The first impression prospective employees have of your operation can, and most often will, determine whether they feel your operation is right for them—not only as potential employees, but also as potential guests.

How are you coming across?

Look at your operation through the eyes of someone seeing it for the first time. Start by walking through your front door. What is the first thing you see? Are you greeted by a smiling face, or do you see someone who looks as if he or she desperately needs a long vacation? And if the initial contact is by phone, is the greeting cordial? Are potential employees made to feel important, or are they put on hold for a long time?

Don't forget to observe your managers' techniques and skills in this area of first impressions. How do they greet people? Managers are synonymous with your organizational culture, because they represent you—make sure they convey your philosophy.

Next, examine your application procedures. Are applications kept at the front counter for the hostess/cashier to hand out? Or does a manager greet each applicant and explain

How times have changed. Wasn't it nice when potential employees walked through your doors and applied for all of the open positions in your operation? As managers you were in a buyer's market, a market in which you were able to choose only the best applicants. Not any more. Today's employees are now the ones who are in a buyer's market. They can pick and choose the companies and operations that best meet their wants and needs. And their options are going to increase. The National Restaurant Association predicts that our industry will see a shortfall of 1.1 million workers in 1995. That is why you must make every contact count—especially the first one.

the application procedures—a more personal touch?

Are applications accepted at all hours of the day, or do you accept them only at certain times of the day? Remember, if you accept them only during daytime hours, you may be missing potential employees who have day jobs and want to work part-time night or weekend jobs.

If you have set times during which you accept applications, who tells the applicant this—the hostess or the manager? All these things are part of the image that you are creating.

If prospective employees have to come back to fill out an application or for an interview, give them a brochure, flyer or job description that will capture their attention and make them enthusiastic about returning. A good tool is to include an in-house newsletter with a list of benefits, activities and growth-potential information. This will increase their awareness of your organization and sell them on working for you. Finally, ask your employees about their first impressions of the organization. What made them want to join your team? Then discuss the issue at your next management meeting and publish the comments in your newsletter or flyer.

Jeff Harrison is a full-time manager and instructor for the Educational Foundation of the National Restaurant Association. Among the courses he teaches is "Labor Hiring, Training and Retaining." Harrison has experience managing low- and high-volume restaurants and casual and fine dining operations.

Are you taking time with interviews?

Although interviews usually occur on a second visit, they are really part of the applicant's first impression, because they provide the first lengthy contact with your organization. That is why it's a good idea to look at your interviewing process. Do you set aside time for interview sessions, or do managers just "squeeze" them in? When managers give interviews on the run, they may not be giving potential employees their full attention; they will probably be thinking about the last thing they did or the next task.

When you or your manager set up specific interview times, block off time to do two, three or four interviews in a row. Good times may be from 2 p.m. to 3 p.m. every day and from 6 p.m. to 7 p.m. three nights a week. Notice that as you batch your tasks, you become more effective.

Other interviewing practices that create good first impressions for applicants include:

☐ *No-interruption interviews.* When you start an interview, do not stop until you are done. Give the applicant your undivided attention. This means no phone calls, employee interruptions, check signing, etc.

☐ *Eye contact and body language.* Look into the applicant's eyes and use positive body language, such as upright posture, leaning toward the applicant, occasional head nods, open gesturing.

☐ *Job descriptions.* When you know what position an applicant is applying for, give him or her that job description for review. This gives you an opportunity to discuss expectations.

☐ *A friendly attitude puts the applicant at ease.* Smile and say thanks for being on time. Ask if they would like something to drink. Begin by asking nonjob-related questions to get the applicant talking.

☐ *Predetermined questions.* Develop a few questions that each manager asks an applicant during an interview to give you a benchmark for comparing applicants for the same position.

☐ *Open-ended questions.* Encourage talking by avoiding questions that lead to "yes" and "no" responses.

If the interview goes well, set up a second interview. Explain the second interview process and take the time to sell the applicant on your organization. The practice of selling the applicant on the operation should happen again before a job offer, this time detailing the benefits and growth potential. Always thank the person for taking the time to interview with you when you walk them to the door.

If an applicant is not right for your operation, tell that person right away. One reason the foodservice industry has a poor public image is that too often we say we'll call and we never do. If you say you're going to call, make sure you call or send a letter of nonacceptance.

Your goal is to continue that good first impression; do not ruin it by poor follow-through. Remember that although an applicant may not fit in as an employee, you would like that person and his or her family and friends to visit your restaurant. Don't give anyone a reason to say something negative about your establishment.

Are you making the first impression last?

After you've hired a new crew member, it is now up to you to make the first impression a lasting one. Hold onto the high-quality people that you hire by providing good orientation and training, spelling out expectations with job descriptions and using a consistent evaluation program. Good follow-through only adds credibility to a positive first impression. ❑

BOARDROOM

Winter board meeting report

Here is a summary of discussions and resolutions coming out of the National Restaurant Association's Board of Directors winter meeting last month in Laguna Niguel, California:

The **Government Relations** Committee focused on the Americans with Disabilities Act (ADA). Through the association's lobbying efforts and that of others in the business community, several favorable changes have been made to ADA. The association will continue to work for the removal of vague language in the bill and the development of applicable regulations.

The **State Relations** Committee reported significant growth in the grassroots and state legislative areas, with 1,150 Key Contacts covering all but 47 members of Congress. State Relations staff is tracking solid-waste initiatives on the state and local levels.

The **Communications** Committee reviewed a new association booklet, "A List of Member Services," which outlines the many services that benefit National Restaurant Association members. The Communications Committee also called for two new membership surveys: The first to solicit members' awareness and evaluation of services offered, and the second to assess the effectiveness of association periodicals.

The **Convention** Committee issued a reminder that membership badges will not double as Show badges. Instead, special magnetic-striped badges have been developed for the Show.

Under the direction of the **Industry Image/Human Resources Task Force**, a new brochure and video will be developed to promote career opportunities in hospitality and tourism.

The **Membership** Committee approved dual membership contracts for the Georgia Hospitality and Travel Association and the Idaho Restaurant and Beverage Association.

The **Nominating** Committee put forward Richard E. Marriott, of the Marriott Corporation in Washington DC, as association treasurer for the 1990–91 term.

The **Research** Committee announced that the next Current Issues Report will focus on the labor market and will include a new profile of foodservice employees. Future reports will focus on child care and air and water pollution.

The **Technical Services** Committee announced that the association recently won a revision of the National Electric Code concerning the capacity of electric-current breaker boxes and associated wiring in restaurants. The code change will allow smaller electric service entrances in new restaurants without compromising safety, which should result in considerable savings for operators.

The **Alcohol Awareness** Committee reaffirmed the association's commitment toward responsible beverage service and announced that a new edition of the booklet "Restaurateur's Guide to Help Prevent Drunk Driving" will be mailed to all members who sell alcohol. Also, a new alcohol-server training video will be available for purchase this month.

FISHER'S LAW

#105

A meeting with the IRS

Recently I scheduled a meeting with the Internal Revenue Service (IRS) to discuss some issues that are important to the industry. I was thoroughly prepared and kept going over in my mind exactly what I was going to say. In fact, I was thinking about the meeting as I went to bed the night before . . . .

Me: Hello, I'm . . .

IRS: We know who you are. You're 123-28-4268. We know all about you. I'm 008-32-1040, but you can call me 008. Are you satisfied with the new wing you put on your house as a result of the casualty loss you took three years ago?

Me: Well, yes, but how did you know about that?

008: I told you, we know everything about you. That's our business. I don't mean that we intrude on your affairs; but as the result of the tax forms you file each year, we have a pretty good handle on your life. By the way, you sure seem to have a knack for picking the wrong stock, since you've been reporting realized losses each year.

Me: Ahem, yes. Well, 008, let me get to the point of this visit. As you know, our employers are required to allocate tips to employees, if the employees don't report tips of at least 8 percent on the sales attributed to them. That can cause an adversarial and a "strong-arm" relationship between the employer and employee, which is not good for morale, esprit de corps and pleasantness in the restaurant.

008: Ah yes! I remember that well. We played our hand masterfully on that. We had a senator sneak that little tidbit into a tax bill at 5 a.m. back in '82. Too bad about the relationships between the employers and their employees. Can't be helped, though. With the tight budget squeeze hitting all government agencies, we have to encourage legislation that causes the business community to help us collect taxes due us. I'm sure, 123, that you fully agree that everyone should pay his or her legally prescribed tax. You do agree with that, 123, don't you? Let's see, 123, I believe it's been a few years since we've done an audit on your tax returns.

Me: Well, yes, everyone should pay taxes according to the law, certainly, but tip allocation can be disruptive to harmonious relationships, which are the essence of hospitality.

008: Can't be helped, 123. I don't make the laws; I just enforce them. The bottom line is that we have collected more tax revenue from tip receivers since that law went into effect, so I guess it works. We're still not getting all the tax revenue that's due us, however; so we're looking into the possibility of raising that 8 percent to a higher figure. That will generate even more tax revenue. By the way, are your employers filing the 8027s each year that the law requires, which is the employer's annual information return of tip income and allocated tips? Our records show that there is still a lot of noncompliance.

Me: Now, wait a minute. Do you realize that the law has created a clear and fundamental unfairness and an inherent conflict of interest? The 1987 tax law placed FICA taxes, also known as Social Security, on employers for the *tips* that employees receive. The Department of Labor doesn't allow us to count 100 percent of tips as wages for Fair Labor Standards Act purposes, but you here at IRS count those tips *fully* as wages on which restaurateurs must pay FICA and FUTA taxes.

008: Yeah, how about that. That's a real rock-and-a-hard place, isn't it? I don't have anything to do with the Labor Department; I have to look after my own shop. My job is to collect all the tax money I can.

Me: I have to tell you, 008, that I think you are displaying a typical bureaucratic, cavalier attitude that borders on the arrogant.

008: I don't make the laws, 123, I just enforce them. Besides, all that Social Security money, with its huge surplus, counts against the annual budget deficit. If we didn't count that surplus against the deficit, the published deficit would be significantly larger.

Me: But the point, 008, is that the law has created an inherent conflict of interest for restaurateurs, since the greater the tips reported, the greater the employer's payroll tax. It's an intolerable situation. It's unfair and inequitable. It's government at its worst and can generate disrespect for all law.

008: Tell it to your congressman and senators, 123. I don't make the laws, I just enforce them. I don't make the laws, I just . . .

The alarm went off and I realized I had been dreaming. But it was a vivid and realistic dream.

Fisher's Law #105: People affected by bad legislation must get active in order to overturn it.

Consumer commitment to nutrition increases

A new National Restaurant Association study, ***Attitudes Toward Nutrition in Restaurants: Assessing the Market,*** *reveals that the percentage of consumers who choose nutritious items when ordering in restaurants is on the rise, while the percentage of those who are unconcerned about nutrition in restaurants is declining.*

In fall 1989 the National Restaurant Association conducted a nationwide survey to assess consumer awareness of and attitudes toward health and nutrition issues and to determine how these attitudes influence the choice of foods and restaurants. Consumers were asked a number of questions to determine their eating-out habits, such as whether they look for low-fat foods when eating out, whether they wish more restaurants offered menu items cooked without salt and whether they are less concerned about nutrition when dining out for a special occasion.

Three consumer segments

One of the survey's most important findings is that the adult population can be divided into three distinct groups.

First, there are the *Unconcerned Patrons,* who tend to describe themselves as "meat-and-potato" eaters; they eat whatever they want, and their eating behavior is consistent with their attitude. A second group can be identified as *Committed Patrons.* These individuals believe that a good diet plays a role in the prevention of illness; and when they eat out, their dining behavior is generally consistent with their commitment to good nutrition. The third group can be labeled *Vacillating Patrons.* These consumers are concerned about nutrition and health, but they are taste-and-occasion driven when it comes to eating out.

More patrons committed to nutrition

When results of the 1989 survey are compared with the results of a similar survey conducted by the association in 1986, it is clear that the second group—the Committed Patrons—has grown from 35 percent of the U.S. adult population in 1986 to 39 percent in 1989.

Conversely, the first group—the Unconcerned Patrons—has shrunk from 38 percent of the U.S. adult population in 1986 to 32 percent in 1989. The third group—the Vacillating Patrons—increased slightly, advancing from 27 percent of the U.S. adult population in 1986 to 29 percent in 1989.

Who are the Committed Patrons?

Committed Patrons are actively concerned about the role that nutrition and diet play in their health. They are more likely than average to be females, 35 to 54 years old, college graduates, high-income earners and living in the Northeast or on the West Coast.

In restaurants, Committed Patrons' eating behavior is consistent with their commitment to health and nutrition. They are more likely than average to order raw-vegetable appetizers, vegetables seasoned only with lemon and herbs, poultry without skin, broiled or baked fish, whole-grain muffins, fresh fruit and low-fat yogurt. Not surprisingly, many of these food items are ones that Unconcerned Patrons tend to avoid.

The study suggests that restaurants should continue to add to the existing menu alternatives that conform with dietary guidelines for good health.

Committed Patrons believe that restaurants should provide menu items for people on restrictive diets. They look for low-fat foods when eating out and agree that regular exercise is vital to their health. However, Committed Patrons eat out less frequently than average. Although they represent 39 percent of the population, they account for 32 percent of total eating occasions. These individuals are more likely than others to patronize tableservice restaurants

Characteristics of health and nutrition consumer groups 1989

Characteristics	Unconcerned Patrons	Committed Patrons	Vacillating Patrons
Percent of U.S. adult population	32%	39%	29%
Percent of total eating-out occasions	39%	32%	29%
Demographic characteristics[1]	Men; 18 to 24-year-olds; average income; single/never married; work full time; high school education; live in urban areas; East North Central, West North Central and Mountain states	Women; 35 to 54-year-olds; higher than average income; married; work part time; college graduate; live in suburban areas; New England and Pacific states	Women; 65-year-olds and older; below average income; widowed or separated/divorced; do not work; high school education; live in rural areas; West South Central, East South Central and South Atlantic states
Behavorial characteristics[1]	Patronize fast food restaurants; do not diet or exercise; do not restrict use of salt, additives, sugar, fat and cholesterol; drink alcoholic beverages; do not consume foods high in fiber, calcium and starch	Patronize moderately priced and fine-dining restaurants; diet and exercise; restrict use of salt, additives, sugar, fat and cholesterol; consume foods high in fiber, calcium and starch	Patronize fast food and fine dining establishments; diet to control blood cholesterol and pressure; are average in their attempts to restrict use of salt, additives, sugar, fat and cholesterol; do not drink alcoholic beverages; consume foods high in calcium and starch
Foods likely to order in restaurants[2]	Steak or roast beef; fried chicken or fish; regular soft drink; premium ice cream; rich, gooey or chocolate desserts	Broiled or baked seafood; poultry w/o skin; raw-vegetable appetizers; fresh fruit; vegetables seasoned w/only herbs or lemon juice; whole-grain muffins; low-fat frozen yogurt	Lean meats; steak or roast beef; broiled or baked seafood; fried chicken or fish; food cooked w/o salt; regular soft drink; caffeine-free coffee; premium ice cream; rich, gooey or chocolate desserts

[1] Members of all three groups come from all demographic and behavior segments. The characterics presented here represent those where a greater proportion than average occurs.

[2] Members of all groups are likely to order any of the foods covered by the survey. The ones presented here represent those foods where an above-average proportion of group members was likely to order.

Source: National Restaurant Association, *Attitudes Toward Nutrition in Restaurants: Assessing the Market*, 1990

when they go out, but more than half of their purchases are made at fast food establishments.

Who are the Unconcerned Patrons?

Unconcerned Patrons are not generally concerned about nutrition and health. They are more likely than average to be males, 18 to 24 years old, single, average-income earners and living in the Midwest. Their eating-out behavior is consistent with their attitudes. They are more likely to order rich desserts, steak or roast beef, regular soft drinks, fried fish and premium ice cream.

Unconcerned Patrons are not interested in low-fat foods or menu items for people on restrictive diets. They are also less likely to agree that being in peak physical condition is important to them. Overall, these individuals are good restaurant customers and account for a greater share of eating-out occasions (39 percent) than their share of the population (32 percent). These consumers are more likely than average to eat at fast food restaurants.

Who are the Vacillating Patrons?

Vacillating Patrons are concerned about health-and-nutrition issues, but they are taste-and-occasion driven when it comes to eating out. Their menu selections reflect their vacillating nature; and since taste and occasion govern their menu choices, the foods these individuals are likely to order are not nutritionally consistent. They are more likely than average to order rich desserts, premium ice cream, regular soft drinks, steaks and roast beef, as well as lean meats, food cooked without salt and caffeine-free coffee. Vacillating Patrons are slightly more likely to be female and are more likely to be older—65 and older—and widowed, separated or divorced. They are below-average income earners and are more likely to live in the southeastern and southwestern states.

Of note is that these restaurant patrons are not as likely to be concerned about nutritional content when dining out for a special occasion. Also, they are much more likely to eat differently when dining out than when eating at home.

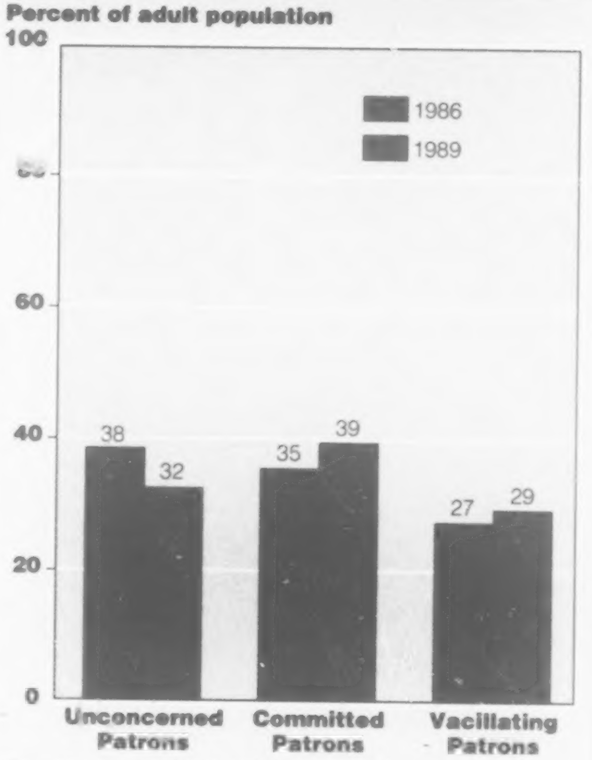
Other study highlights

☐ Almost nine out of 10 Americans agree that good diet and nutrition play a role in the prevention of serious illness such as heart disease and cancer.

☐ At least one out of every four adults has taken some action to restrict his or her diet. The most popular action was dieting to lose weight, followed by dieting to maintain weight.

☐ More than one out of three consumers were restricting their diet to control blood cholesterol while

Change in consumer groups, 1986–89



Source: National Restaurant Association, *Attitudes Toward Nutrition in Restaurants: Assessing the Market*, 1990

one out of four was restricting the diet to control high blood pressure.

☐ Eight out of 10 Americans agree that being in peak physical condition is important and consider regular exercise to be vital to their health.

☐ More than half of adult Americans report that they often skip at least one meal each day.

☐ Women are much more likely to agree that they pay attention to the nutritional content of the food they eat than are men.

☐ When consumers think about the way restaurants prepare meat, fish and poultry, broiling is the most preferred method, followed by grilling and frying.

☐ Forty percent of adults agree that they look for low-fat foods when they eat out.

Implications

The association study confirms that consumer interest in health and nutrition remained undiminished between 1986 and 1989 and will continue to exert greater influence on eating-out behavior. Survey results clearly indicate that consumers want to control their own diets according to their beliefs when eating out. Consequently, the study suggests that restaurants should continue to add to the existing menu alternatives that conform with dietary guidelines for good health.

Survey results indicate that less than half of all adults (45 percent) say that they feel comfortable asking for foods at restaurants that are specially prepared, perhaps indicating that some foodservice operators could work to make their patrons less apprehensive about making a special request. This attitude applies to both infrequent and frequent restaurant customers.

In addition, more consumers are receptive to learning about which foods are good and which ones are bad for them. In 1986, 47 percent of American adults agreed that they were tired of hearing about what's good and what's bad for them when it comes to food. By 1989, the proportion had dropped to just over one out of three. This means that more foodservice patrons are open to suggestions.

—*Hudson Riehle*

To order the nutrition study

Attitudes Toward Nutrition in Restaurants: Assessing the Market (CS971) will be available this month for a fee. The report contains a wealth of information on menu choices and consumer attitudes about health, nutrition and restaurants. There are also data on responses to all survey questions by each of the three consumer groups as well as by a variety of demographic characteristics, such as sex, age, income and restaurant usage.

Other sources of nutrition information

The association offers several additional nutrition publications and services. *A Nutrition Guide for the Restaurateur* (CS983) provides basic and practical information on incorporating nutrition into restaurant operations and offers suggestions on how to modify recipes, change a menu and use other marketing ideas. The price is $18 to members, $36 to nonmembers.

A recent Current Issues Report, *Nutrition Awareness and the Foodservice Industry* (CI424), provides an overview of the current state of nutrition and the foodservice industry. Cost is $5.50 for members, $16.50 for nonmembers.

All prices include shipping and handling charges (overseas orders require a 20 percent surcharge). All orders must be prepaid.

To order, send a check or money order to the National Restaurant Association Publications Department, 1200 Seventeenth St. N.W., Washington DC 20036. For credit-card orders, call the association's information service and library between 9 a.m. and 5 p.m. (Eastern Standard Time) at 1-800-424-5156 or (202) 331-5960 in Washington DC.

In addition, the association offers a nutrient-analysis service, which uses computer software to calculate the nutritional content of recipes on a per-serving basis. Operators may wish to have this nutrition information on hand for patrons who ask for it; to identify the nutritional content of recipes; and to identify ingredients that contribute fat, cholesterol, sodium and calories.

Cost is $10 for one recipe, $7 per recipe for two recipes, $6 per recipe for three recipes and $5 per recipe for four. Cost to nonmembers is higher. Recipes will be analyzed within a few working days of receipt, and results will be returned via first-class mail. For an additional cost, orders can be returned via Federal Express or fax. Call the Information Service Department for more information and an order form.

Franchise restaurants up close

The International Franchise Association Educational Foundation (IFA), in conjunction with Horwath International, has released ***Franchising in the Economy: 1988–1990.**** *The survey indicates that franchise restaurants continue to grow in the United States and abroad.*

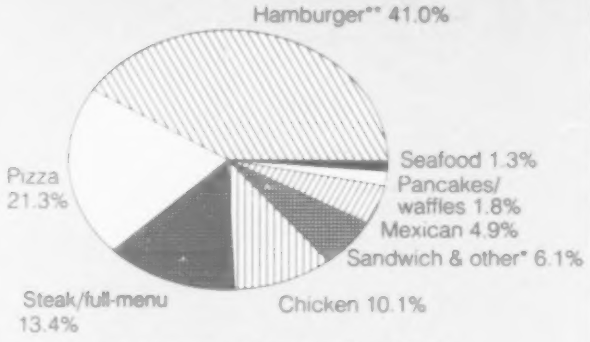
Franchising continues to grow. According to the franchising survey conducted by IFA, there were 90,345** franchise restaurant units in the United States in 1988—more than 25 percent of all types of franchise units.***

Moreover, sales from franchise restaurants in 1988 reached $64.3 billion—36 percent of total business-franchise sales and nearly half (46 percent) of total sales for eating places.**** On a per-unit basis, franchise restaurants had revenue of roughly $711,500 in 1988, substantially higher than the $526,038 average unit sales for all franchise units.

Franchise restaurants are expected to continue to grow. Survey participants projected that by 1990 there will be 102,135 franchise restaurant units, with sales exceeding $76.5 billion. This represents an average annual unit growth of 6.5 percent between 1988 and 1990 and an annual average 9.5 percent advance in sales. Unit sales for franchise restaurants should reach $749,167 in 1990—up by an annual average rate of 2.6 percent between 1988 and 1990.

Franchise restaurant breakdown, by theme

The largest percentage of franchise restaurants are hamburger places



Percent of total units, 1988

**includes all other franchises not included here*
***also includes roast beef and frankfurter franchises*
Source: International Franchise Association Educational Foundation, *Franchising in the Economy, 1988–1990*

Hamburger franchises top the list

Of the numerous types of restaurant franchises, hamburger restaurants top the list in both number of units and total sales. In 1988 there were 37,081 hamburger-restaurant franchise units in the United States alone, representing combined sales of $32.0 billion. In 1988 hamburger franchises (which in this survey also include roast beef, frankfurter and related franchises) accounted for four out of every 10 franchise restaurant units and roughly half of all franchise-restaurant sales.

Pizza restaurants were the next largest type of franchise in terms of number of units—with 19,243, followed by steak/full-menu franchise restaurants with 12,120 units. Steak/full-menu franchise restaurants were second to hamburgers in terms of total sales—$11.3 billion. Pizza franchises followed with combined sales of $9.6 billion.

Despite the high number of units and sales of hamburger franchises, steak/full-menu restaurants had the highest sales per unit of all the different franchise restaurants in 1988, with revenues of $935,460. Hamburger restaurants ($862,607) and pancake/waffle ($765,305) franchise units were the next largest in terms of unit sales.

Strong unit growth but weaker unit sales growth

Unit growth is likely to continue at a rapid pace. According to the IFA study and comparable Department of Commerce data, franchise restaurants posted a strong annual average growth rate of almost 8 per-

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****Franchising in the Economy*** *was previously published by the U.S. Department of Commerce. In 1987 Department of Commerce discontinued collection and publication of franchise data. The International Franchise Association initiated a similar survey, beginning with data from 1988. Because of the gap in time between the discontinuance of the Department of Commerce survey and initiation of the IFA survey, there are no final figures for 1987, since they were projected by respondents in the final Department of Commerce survey and not covered by the 1989 IFA survey.*

***Data for franchise restaurants do not include unit or sales information from convenience stores or from ice-cream, frozen-custard or frozen-yogurt stands, doughnut shops, cookie stores or any other retailer of food products, such as cinnamon rolls, nuts or specialty foods that are included in Retail—Food (nonconvenience).*

****Does not include automobile and truck dealers, gasoline-service stations and soft-drink bottlers, which are considered to be product and trade-name franchising. Restaurants, convenience stores, retail stores, hotels and the like are considered business-format franchising, according to the report. They are categorized by an ongoing business relationship between franchisor and franchisee, which includes the product, service, trademark, marketing strategy and plan, operation standards and manuals from the franchisor.*

*****Based on 1988 National Restaurant Association estimate of eating-place sales, which totaled $138,403,276,000.*

Franchise restaurants in the United States—1988 to 1990*

The number of franchise restaurants, both company owned and franchisee owned, is expected to grow, as are sales at these restaurants.

				Percent change	
	1988	**1989***	**1990***	**1988–1989**	**1989–1990**
Total number of establishments:					
Company owned	27,305	27,761	29,313	1.7%	5.6%
Franchisee owned	63,040	66,524	72,822	5.5	9.5
Total	**90,345**	**94,285**	**102,135**	**4.4%**	**8.3%**
Total sales ($000):					
Company owned	$22,276,989	$23,438,938	$25,688,238	5.2%	9.6%
Franchisee owned	42,003,446	45,655,170	50,827,883	8.7	11.3
Total	**$64,280,435**	**$69,094,108**	**$76,516,121**	**7.5%**	**10.7%**
Average sales per unit ($000):					
Company owned	$816	$844	$876	3.4%	3.8%
Franchisee owned	666	686	698	3.0	1.7
Total (all units)	**$711**	**$733**	**$749**	**3.0%**	**2.3%**

** values for 1989 and 1990 are estimates from survey participants*

Source: International Franchise Association Educational Foundation, Inc., Horwath International: *Franchising in the Economy: 1988-1990*

Growth profile for franchise restaurants

Although the number of units and overall sales have shown strong growth, growth in per-unit sales has slowed

Year	**Number of units**	**Sales ($000)**	**Average sales per unit**
1986	78,203	$52,273,863	$668,438
1987*#	83,331	56,839,994	682,099
1988	90,345	64,280,435	711,500
1989*	94,285	69,094,108	732,822
1990*	102,135	76,516,121	749,167

** estimated by survey participants*
# No final figures published in 1987 as Department of Commerce did not conduct survey

Source: U.S. Department of Commerce, International Franchise Association Educational Foundation, Inc.

cent between 1986 and 1988—the highest growth rate in the 1980s. IFA survey participants estimated that the number of franchise restaurants in 1990 will exceed 102,000—up 13 percent over 1988.

However, sales growth per unit for franchise restaurants has become more modest. In 1988 average sales per unit exceeded $711,000—up an annual average of 3 percent, compared to 1986. In fact, this is the lowest rate of growth for per-store sales in the 1980s.

And this trend is expected to continue in 1990. Average sales per franchise restaurant this year are expected to be $749,167—up 2.2 percent from 1989 estimates. This lower rate of growth in per-store sales is particularly important, considering anticipated increases in menu prices.

For example, in 1989 menu prices advanced by 4.6 percent, yet average franchise-restaurant sales per unit are estimated to have grown by a lower 3.0 percent. For 1990 the National Restaurant Association is forecasting menu prices to increase 4.4 percent, while franchise sales per unit are estimated to advance a lower 2.2 percent. This suggests that, overall, no real growth in per-store sales has occurred, with declines in real sales a distinct possibility.

Pizza and sandwiches lead sales, unit growth

Yet some franchise-restaurant categories continue to post higher sales growth. Although hamburger restaurants still represent the largest proportion of franchise sales and units, pizza and sandwich establishments have grown in popularity.

According to the IFA survey, in 1988 there were 19,243 pizza-franchise restaurants—representing an annual average growth of 9.3 percent from 1986. By comparison, the number of hamburger restaurants grew at a somewhat lower annual average rate of 8.9 percent. On a per-store sales basis, average unit sales for pizza restaurants advanced 4.3 percent between 1986 and 1988, compared to 4.0 percent for hamburger establishments.

Although sandwich restaurants posted a more modest average annual growth rate for per-store sales between 1986 and 1988 (1.5 percent), these establishments are expected to exhibit dynamic growth in unit sales between 1988 and 1990. For example, in 1988 there were 5,529 franchise sandwich restaurant units, with average sales of $261,000 per unit. By 1990, according to IFA survey respondents, the number of sandwich establishments is expected to exceed 8,100—up at an annual average rate of almost 24 per-

Top states for franchise restaurants in 1988

Franchise restaurants can be found in every state in the nation. Here are the top 10 states in terms of numbers of franchise restaurant units in 1988:

State	**Number of units**
California	8,422
Texas	7,435
Florida	4,480
Ohio	4,449
Illinois	3,646
Georgia	2,740
Minnesota	2,559
Pennsylvania	2,554
North Carolina	2,489
Indiana	2,375

Source: International Franchise Association Education Foundation, *Franchising in the Economy, 1988–1990*

cent. Accordingly, average sales per unit will advance at an average annual rate of 4.6 percent between 1988 and 1990, compared to a lower 2.8 percent for franchise hamburger restaurants.

More units owned by franchisees

More franchise units are now franchisee owned. In 1986, 31 percent of franchise units were company owned. In 1988, 30 percent of franchise units were company owned. It is projected that in 1990 less than 29 percent of franchise restaurant units will be company owned.

Sandwich and other franchise restaurants, which have posted the highest unit growth, are also the category with the highest incidence of franchisee ownership of units. In 1986, companies owned just more than 9 percent of all units in the "sandwich-and-other" category. In 1988 the proportion of company-owned units continued to decline—down to 7 percent of total sandwich units. IFA survey data indicate that by 1990 less than 6 percent of franchise-sandwich establishments will be company owned.

International expansion

With an increase in competition brought about by a growing number of franchisees and units, combined with smaller increases in unit sales, it is not surprising that many U.S.-based companies have expanded overseas. According to the IFA report, restaurants were the largest international franchisors in terms of number of units abroad.

In 1988 there were 6,996 internationally located units of U.S. franchise restaurants, accounting for one out of five international franchise units originating from U.S.-based companies. This represents a 77 percent rise in the number of overseas units of U.S. franchise restaurants since 1980. In all, 13 percent of all U.S.-based franchise-restaurant companies had units in foreign countries in 1988, and an additional 1.5 percent were planning to locate units outside the United States.

More than one out of four (26 percent) international franchise-restaurant units—1,827—were located in Japan. This is nearly double the number in 1980.

Canada was the second-most-popular foreign location for U.S.-based franchise restaurants, attracting 19 percent of franchise-restaurant units outside the United States. Other popular locations abroad for U.S.-based franchise restaurant units included the United Kingdom (10 percent), other European nations (11 percent) and Australia (11 percent).

With the opening up of many Eastern European countries and markets and an ever-tightening domestic marketplace, it is likely that international franchising will continue to grow in the years ahead.

—*Nancy Michalski*

How to order the report

Copies of the complete report on which this article was based, *Franchising in the Economy: 1988–1990*, are available for $25 from the International Franchise Association (IFA). Copies may be ordered by calling IFA at 1-800-543-1038.

Why customers are leaning toward casual restaurants

As the baby-boom segment matures, it is starting to fuel greater interest in casual dining at tableservice restaurants. Customers are opting for a more casual, less-structured, less-expensive dining experience.

In a National Restaurant Association Gallup survey conducted in October 1989, half of those surveyed said that they enjoyed eating at a casual restaurant more than eating at a fine-dining establishment.* In contrast, only 18 percent favored fine-dining to casual dining, and 23 percent enjoyed both equally.

When do customers opt for casual?

Survey results indicate that casual restaurants are popular for many types of occasions. Of the five occasions covered by the survey, casual restaurants were preferred over fine dining for eating out with the children, as a Saturday-night treat with friends and as an alternative to cooking at home.

For business lunches and birthday-celebration dinners—the two remaining occasions—casual restaurants scored as high or nearly as high as fine-dining restaurants.

Who goes to casual restaurants?

Although age is not a factor in the likelihood of selecting a casual restaurant over a fine-dining place when children are involved, age definitely comes into play on three other occasions—dinner out with a spouse or friend instead of cooking at home, a Saturday-night treat with friends, and birthday celebrations.

Customers younger than 50 are much more likely to go to a casual restaurant for a dinner out with a spouse or friend instead of cooking at home and as a Saturday-night treat. This is not true for older customers, as the likelihood of patronizing a casual place declines significantly for those older than 50.

The tables are turned for birthday celebrations.

**For the Gallup survey, a casual restaurant was defined as "one where waiters and waitresses serve a wide variety of menu items in an informal, relaxed atmosphere. There is no dress code. Depending on whether a customer orders a full meal, a sandwich or salad, per-person check ranges from $8 up for dinner. This restaurant usually serves alcoholic beverages and accepts credit cards." In contrast, a fine-dining restaurant was defined as "one where the person's dinner check is $20 or more. In addition to the $20-or-more dinner check, in this type of restaurant the waiters serve elaborate meals, which you would not be likely to prepare at home. This formal type of restaurant requires a jacket and tie for male patrons. This restaurant usually serves alcoholic beverages and accepts credit cards."*

Rating of most recent experience at fine-dining versus casual restaurants

Despite some variations, overall dining experiences were rated nearly the same for casual and fine-dining establishments

Restaurant features	Rating: Excellent/ good	Rating: Fair/ poor
Food quality		
fine dining	88%	12%
casual	85	15
Service*		
fine dining	87	13
casual	79	21
Decor*		
fine dining	85	14
casual	73	27
Value*		
fine dining	73	26
casual	80	19
Overall experience		
fine dining	86	13
casual	83	17

** significant difference*

Source: National Restaurant Association Gallup Survey

Percent of adults saying they would be likely to eat at restaurant on each occasion

Casual restaurants were strongly preferred to fine-dining restaurants on three out of five occasions

Occasion	Type of restaurant: Fine dining	Type of restaurant: Casual
Dinner out with children	16%	40%*
Saturday-night treat with friends	26	43*
Dinner out with spouse/friend instead of cooking at home	44	57*
Business lunch	26	26
Birthday celebration dinner	52	48

** significant difference*

Source: National Restaurant Association Gallup Survey

Adults younger than 25 are more likely to want to go to a fine-dining restaurant to ring in their birthdays; baby-boomers—those between 25 and 44—are equally likely to go to a casual restaurant as a fine-dining one.

Why are casual restaurants popular?

There is virtually no difference in the overall experience rating for casual and fine-dining restaurants: 83 percent of adults rated casual restaurants as excellent or good, and 86 percent gave that rating to fine-dining places.

Casual restaurants have an advantage when it comes to value for the price. Eight out of 10 respondents said that the value received on their last casual-restaurant visit was good or excellent. Slightly more than 70 percent, which is significantly fewer respondents, said the same about their last fine-dining experience. Only among consumers aged 50 to 64 did fine-dining places score as high as casual restaurants in value for the dollar.

Moreover, there was no significant difference in perception of food quality: 85 percent of respondents rated the food on their most recent casual-restaurant visit as good or excellent, similar to the 88 percent of fine-dining patrons.

On the other hand, fine-dining restaurants scored significantly higher in service and decor. Close to nine out of 10 adults rated the decor and service at fine-dining places as good or excellent, compared with fewer than eight out of 10 at casual restaurants.

High-visit frequency

Because consumers visit casual restaurants regularly, the price/value relationship assumes even more importance. Seven out of 10 of those surveyed reported eating at a casual-table-service restaurant once a month or more, and 29 percent said they patronized a casual restaurant at least once a week.

In comparison, 25 percent of respondents reported eating at a fine-dining restaurant once or more each month, and only 4 percent said they patronized a fine-dining establishment at least once a week.

Although one adult in five reported never having eaten at a fine-dining place, 6 percent reported never having eaten at a casual restaurant.

CREST data support the relative popularity of casual restaurants. In 1989 moderate-check upscale restaurants, most of which might be termed casual, experienced an 8.4 percent increase in traffic above 1988 levels. At the same time, customer counts at higher-check upscale (fine-dining) restaurants posted a 4.7 percent decline.

A 1988 National Restaurant Association CREST study points out that moderate-check upscale restaurants were popular with adults between the ages of 25 and 34 (who represented 21.8 percent of visits) and children (who represented one-tenth of visits). In addition, casual restaurants attracted nearly equal proportions of patrons between 45 and 54, 55 and 64, and 65 years old and older. In contrast, adults between 35 and 44 accounted for the largest share of fine-dining visits.

More to choose from

Part of the allure of casual restaurants is the number of offerings. Many of these restaurants offer a little bit of everything—from signature hamburgers to ethnic foods. This variety may be part of the appeal of these establishments when patrons go out with friends or their children. Everyone in the party is likely to find something to enjoy. Moreover, the varied menu may lend itself to more frequent visits.

The association's 1989 Menu Analysis of 50 randomly selected menus from entrants in the 1984 Great Menu Contest and 50 from the 1989 Great Menu Contest showed an 18 percent increase in the number of entrees and sandwiches during the five-year period, with the number of sandwiches advancing 55 percent. Main-dish salads, pasta and poultry dishes also showed increased menu presence.

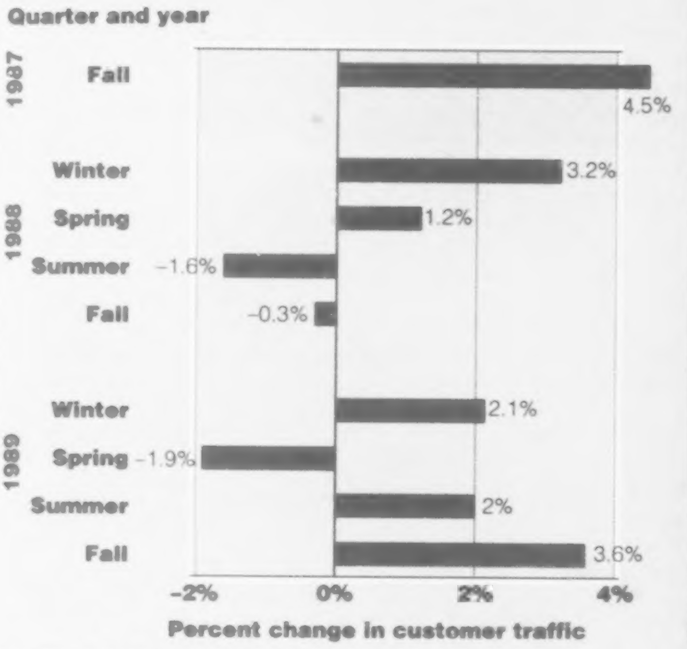
According to the association's 1988 CREST study, customers of moderate-check upscale restaurants are responding to the variety. There were nine quite different food items, each ordered by at least one out of 10 patrons in 1988. Side-dish salads, fish-and-seafood entrees, sandwiches, french fries and other forms of potato, Mexican food, main-dish salads, soup and beef entrees were ordered on at least 10 percent of all eater occasions at moderate-check upscale restaurants. In addition, Asian food, chicken entrees and pasta dishes were eaten on more than 7 percent of all eater occasions.

—Nancy Michalski

1989 annual CREST report

Change in customer traffic by quarter* (fall 1987 to fall 1989)

Traffic increased 3.6 percent in fall 1989–the highest increase since fall 1987



** percent change over same quarter previous year*

Source: NPD CREST Quarterly Household Reports, 1987–1989

After a sluggish traffic growth of 0.5 percent in 1988, the restaurant industry posted a 1.4 percent advance in traffic in 1989. The growth is attributable to an increase in the population rather than an increase in penetration (the proportion of households in which at least one member dined out in an average two-week period) or more frequent restaurant visits.

Traffic highlights

All three industry segments saw increases in customer traffic in 1989, but upscale operations led the way with a 5.0 percent gain. Within the upscale sector, moderate-check upscale restaurants were responsible for all the growth. These restaurants posted an impressive 8.4 percent increase overall, but barbecue, other specialty, Asian, fern bar, Italian, and fish/seafood restaurants registered double-digit growth.

In contrast, traffic for higher-check upscale restaurants declined 4.7 percent. "Other specialty" and "Italian" were the only two higher-check upscale groups to post traffic advances.

Both quickservice and midscale restaurants showed traffic gains. Quickservice restaurants' 1.2 percent gain was largely due to double-digit growth at barbecue, convenience stores, Mexican and Asian restaurants. More modest growth was posted at hamburger, other sandwich, food stores and pizza restaurants.

Midscale restaurants reversed a trend of declining customer counts with a 0.9 percent rise in traffic. The segment benefited from traffic growth in excess of 10 percent at barbecue, sandwich, other specialty and Asian restaurants. Family-style, fish/seafood and Mexican restaurants also helped boost customer counts.

Of the three meal periods, only breakfast showed a decline in traffic, falling 1.1 percent in 1989. A 2.9 percent drop in customer counts at quickservice restaurants for breakfast* offset gains in breakfast traffic at both midscale and upscale restaurants. Both lunch and dinner traffic grew—1.8 percent and 1.7 percent, respectively. Midscale restaurants were the only segment to post a decline at lunch—a slight 0.5 percent. All three segments posted advances in supper traffic; upscale restaurants led the way with a 5.3 percent increase.

For the second consecutive year, on-premises traffic declined, down a slight 0.6 percent. A 4.5 percent growth in on-premises customer counts at upscale restaurants was offset by declines at both midscale (down 1.5 percent) and quickservice restaurants (down 1.4 percent). In addition, on-premises traffic dropped for all three meal periods.

Although on-premises traffic continued to slide in 1989, off-premises traffic continued to drive industry growth. Off-premises traffic grew a hefty 3.9 percent. Although quickservice restaurants, which account for the largest share of total takeout occasions, posted a 2.9 percent growth in off-premises traffic, midscale restaurants took off with a hearty 14.6 percent advance and upscale restaurants shot up 11.4 percent.

Breakfast was the only meal period in which takeout traffic declined—down 1.1 percent. Both lunch and supper posted large advances in off-premises traffic, increasing 4.9 percent and 4.5 percent, respectively.

Average check size

The average per-person check advanced at a higher rate in 1989 than in any year since 1982. The average check size rose 4.1 percent in 1989 to $3.79 per person. Quickservice restaurants posted the largest increase. The average check rose 4.1 percent to $2.80 per person. The average tab at midscale restaurants advanced 3.6 percent, to $4.59. Upscale restaurants posted the smallest change in the average check—1.7 percent to $9.46.

Despite declining traffic, breakfast showed the largest percent increase in average check size of the three meal periods. The average breakfast check grew 5.4 percent in 1989 to $2.55 per person. The average supper check advanced 4.0 percent to $4.95 per person. Lunch showed the smallest increase in average check size—2.9 percent to $3.54 per person.

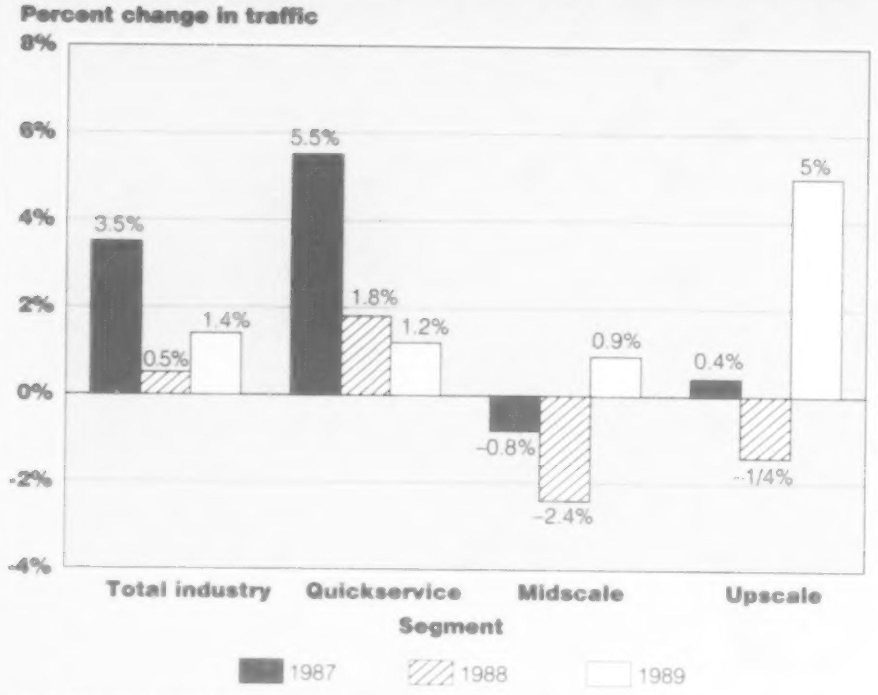
Promotions

Promotions were used on

**Breakfast traffic counts for the individual segments also include traffic for morning snacks.*

Customer traffic changes—1987 to 1989*

Traffic counts in 1989 were up for the industry and all three segments



** percent change over previous year*

Source: NPD CREST Annual Household Reports, 1987, 1988 and 1989

18.4 percent of all occasions in 1989, up from 17.8 percent in 1988 and 17.1 percent in 1987. Once again, quickservice restaurants were tops in promotions usage; usage occurred on 20.9 percent of all occasions. Promotions were used at approximately the same rate at midscale and upscale restaurants in 1989 as in 1988—13.6 percent of all midscale restaurant visits in 1989, and 13 percent of all occasions at upscale restaurants.

Promotions brought in the most customers at the dinner hour. Promotions were used on 23.8 percent of supper occasions in 1989, up from 23 percent in 1988. Breakfast and lunch recorded promotion rates of 14.7 percent and 17 percent, respectively.

—*Nancy Michalski*

1989 fall quarter CREST report

Fall proved to be the brightest quarter of 1989 in terms of restaurant traffic growth—up 3.6 percent above fall 1988 levels. The growth was the biggest quarterly advance since the fall of 1987.

Upscale restaurants, which were the traffic growth leader in each quarter last year, posted a 6.3 percent increase in customer counts. Quickservice restaurants, which experienced a decline in traffic in the spring and sluggish growth in the summer, had a strong showing in the fall; traffic rose 3.6 percent. Midscale establishments, which had declining traffic from winter quarter 1988 until summer quarter 1989, recorded a second consecutive quarter of growth—a 2.5 percent increase in customer counts.

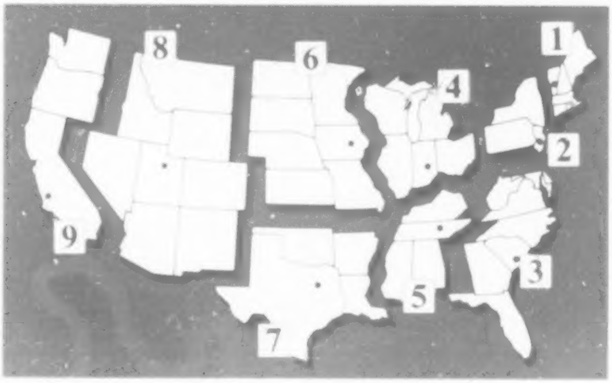
On-premises restaurant traffic dipped slightly in the fall, declining 0.6 percent. Of the three segments, only upscale restaurants showed any on-premises growth; traffic rose 4.6 percent above fall 1988 levels. Both quickservice and midscale restaurants saw on-premises traffic drop 1.3 percent.

Off-premises traffic grew 8.6 percent in the fall, well above the 3.8 percent rise recorded in the summer. All three restaurant segments posted off-premises traffic growth in the fall quarter: upscale establishments—up 31.2 percent, midscale restaurants—up 25.7 percent; and quickservice restaurants—up 6.9 percent.

For the first time since spring 1988, all three meal periods saw traffic growth. Breakfast, which had declining counts in the recent past, was the only meal period to post both on and off-premises traffic advances. Breakfast traffic grew 3.3 percent in the fall, largely due to a 4.9 percent gain in on-premises traffic. Off-premises breakfast traffic advanced by 0.3 percent. Lunch traffic grew 2.4 percent overall; off-premises growth of 6.3 percent offset a 0.1 percent decline in on-premises counts. Supper posted the highest meal-period growth, up 3.6 percent. Off-premises supper traffic increased a healthy 9.5 percent, but on-premises traffic was down 1.7 percent.

Promotion usage, which jumped well ahead of 1988 levels in the summer, continued to rise in the fall quarter. Promotions were used on 20.3 percent of all occasions in fall 1989, up from 19.1 percent of occasions in fall 1988. Promotions were used on 23.0 percent of all quickservice occasions; 15.2 percent of all midscale occasions and 14.1 percent of all upscale occasions. Compared with fall 1988, deal usage was up 1.5 percentage points at quickservice restaurants, up 1.2 percentage points at midscale restaurants and down 0.2 percentage points at upscale restaurants.

The average per-person check rose 3.5 percent—from $3.70 in fall 1988 to $3.83 in fall 1989. The highest rate of growth in average check size occurred at quickservice establishments—up 3.6 percent to $2.85 per person. Per-person check size increased 3.3 percent at midscale restaurants to reach $4.85. Upscale restaurants continued to show the smallest rate of growth in check size. The average per-person check at upscale eateries was $9.46—1.1 percent higher than in fall 1988.



1 NEW ENGLAND

Location: Middlebury, VT
Association members: Chris Hesslink, Robert Mahoney
Operation: Dog Team Tavern
Profile: Midscale restaurant
In business: 44 years
Seats: 200
Meals served: Dinner, seasonal lunch

Dog Team Tavern, three miles north of Middlebury, used to be a mission house where crafts from Labrador were sold. The restaurant's name came from the dog teams pictured on some of the handwoven Labradorian mats, which now adorn its walls. Vermont antiques are also found throughout the dining rooms and lounge.

Prime rib, baked ham, country-fried chicken and fresh fish are the specialties. All meals come with soup of the day or juice; sticky buns made on premises; small loaves of fresh Anadama bread—a heavy molasses bread; helpings of relish from the spinning wheel—a wheel with seven buckets of relishes; fresh garden salad; the vegetable of the day; and mashed potatoes.

Business has grown 75 percent in the 2½ years **Chris Hesslink** and **Robert Mahoney** have owned the restaurant.

2 MID-ATLANTIC

Location: Neptune City, NJ
Association members: William and Geraldine Kelly
Operation: Kelly's Tavern
Profile: Casual restaurant and bar
In business: 40 years
Seats: 144, plus 85 on summer weekends
Meals served: Breakfast, lunch, dinner

Kelly's Tavern was a small bar selling hamburgers and hot dogs when the present owner's father was the proprietor. Today it occupies a larger building across the street and has a more extensive menu. One item always available is the Reuben, an open-faced sandwich made with rye bread, Russian dressing, corned beef, sauerkraut and Swiss cheese, which can be ordered in mini or full-sized versions. The sandwich is so popular that the Kelly sons are marketing a microwavable frozen version to business cafeterias.

Customers of Kelly's sit at tables or at one of the 52 seats at the large bar. Beer is the usual beverage of choice. A large map of Ireland and coats of arms and banners from Ireland are part of the decor.

Manager **Ed Kelly** says business was down a little after Christmas but is picking up again. Because Neptune City is a resort town, Kelly's does its biggest business in the summer; on summer weekends, a basement room seating 85 handles the extra crowds.

3 SOUTH ATLANTIC

Location: Charleston, SC
Association members: Van Weatherspoon, David Bedard
Operation: East Bay Trading Company
Profile: Midscale restaurant
In business: 10 years
Seats: 230
Meal served: Dinner

The hurricane that hit Charleston in October spared this seafood restaurant, only breaking a few windows and causing some flooding in the basement. But the East Coast Trading Company was closed for 11 days and then had to operate under a curfew for a while. The restaurant and the city of Charleston hope that tourists who usually flock to the city will not be kept away this year by reports of damage.

East Bay Trading Company is in a renovated three-story warehouse in downtown Charleston. Owner Weatherspoon created an atrium in the center of the building and has furnished the surrounding areas with unique objects, such as the 400-pound brass bank table, big copper pots (now planters) from the Hershey chocolate factory and a San Francisco trolley car used for cocktail service.

Manager **David Bedard** thinks the uniqueness of the building and its decor and the highly visible location help the restaurant compete. For the first time the restaurant is advertising on a billboard on the interstate that leads into town. And as a way to cut down on overhead costs and to focus on the quality of its dinners, East Bay has stopped serving lunch.

4 EAST NORTH CENTRAL

Location: Bloomington, IN
Association members: Brenda and William Lutgens
Operation: Wee Willie's Incorporated
Profile: Casual family restaurant
In business: 24 years
Seats: 70, plus curb service for 20 cars
Meals served: Breakfast, lunch, dinner

Bloomington is a booming restaurant town, according to **Brenda Lutgens,** co-owner of Wee Willie's. Lutgens credits reasonable prices as the reason Wee Willie's is able to hold its own against the hundreds of other restaurants in town, especially the chains. "We are better than the big chains in quality and quantity," she says.

Located on the south side of the city, the restaurant's business comes mostly from the elderly and students who attend a nearby high school.

Wee Willie's offers traditional sandwiches and dinners, but most popular is each day's special dinner.

5 EAST SOUTH CENTRAL

Location: Lebanon, TN
Association members: Dan Evins, O.E. Philpot
Operation: Cracker Barrel Old Country Store Inc.
Profile: Corporation owning 80 restaurants
In business: 21 years
Seats: 180 to 210
Meals served: Breakfast, lunch, dinner

Cracker Barrel has grown from one restaurant in Lebanon, Tennessee, to 80 in

12 midwestern and southern states, with business increasing 20 percent a year according to vice president of marketing **O.E. Philpot.**

Country-type food is the specialty—vegetables like corn, fried okra, turnip greens and beans; baked-on-premises desserts like cobblers, and the made-from-scratch biscuits or corn muffins that accompany all meals. The company is the nation's largest user of country ham.

All but four of the restaurants are located near interstates and count on billboard advertising to bring in travelers. All have front porches with rocking chairs and gift shops selling crafts and foods like country hams and Vermont maple syrup. "The men usually rock, and the women usually browse while waiting for a table," Philpot says.

6 WEST NORTH CENTRAL

Location: Cedar Rapids, IA
Association members: Mary and John Schlesselman
Operation: Charlie's on the River
Profile: Midscale restaurant
In business: 5 years
Seats: 250
Meals served: Lunch, dinner

Cedar Rapids's healthy economy is attracting lots of fine-dining restaurants, according to Charlie's co-owner **Mary Schlesselman.** "Every time a new one opens," she says, " our business will fall off a little, but then it will level out."

Charlie's on the River prides itself on its homemade soups, especially the clam chowder made fresh every day, and the elegant dessert tray presented after a meal. Entrees include prime rib, hickory-smoked pork ribs and a variety of meats and seafood prepared Cajun-Creole style. Schlesselman says Cajun-style may be less popular now in other parts of the country, but at her restaurant these items are consistently among the top-10 dishes. Charlie's is the only restaurant in town with a wine bar where customers can sample free before they order a full bottle. The restaurant also sells wine at retail.

7 WEST SOUTH CENTRAL

Location: Waco, TX
Association members: Sammy Citrano, David Tinsley, Jane Smith
Operation: The Health Camp Company
Profile: Hamburger stand
In business: 41 years
Seats: 60
Meals served: Lunch, dinner

When Jack Schaevitz, original owner of The Health Camp Company, retired last year, the owners of the restaurant next door took it over. Except for expanding the seating, **Sammy Citrano** and **David Tinsley** have kept things the same. All of the employees stayed, and Schaevitz, now 77, often visits.

Once voted "the best hamburger stand in America" by *The Washington Post*, The Health Camp Company still specializes in hamburgers. In addition, it serves chicken tenders, chicken breast and chicken-fried steak sandwiches; hot dogs; corn dogs; and soft-serve ice cream, malts and shakes.

Old pictures of the town of Waco in the '40s decorate the walls. There is a jukebox and a talking wastecan that says "thank you."

Located between Austin and Dallas, ¼ mile from a freeway, the restaurant attracts out-of-towners. Citrano describes the economy of Waco as "not booming," but says the town is hoping to attract new businesses.

8 MOUNTAIN

Location: Bountiful, UT
Association members: Lois and Jack Pickett
Operation: Servus Drug
Profile: Soda fountain and private party room in drugstore
In business: 41 years
Seats: Fountain—60; party room—150
Meals served: Breakfast, lunch, dinner

Servus Drug, with its original Coke machine, looks the same as it did 41 years ago. "We were going to redecorate, but people wouldn't let us," said owner **Lois Pickett.** Old customers like to bring their family back to see "where Mom and Dad used to hang out."

The fountain sells malts and milk shakes, hamburgers, cheeseburgers, sandwiches and pies made by Pickett. Pickett's two sons make the soups.

A basement room is used for meetings of town organizations, family parties, wedding breakfasts and rehearsal dinners. Servus also does some off-premises catering.

Bountiful, at the foot of the Rocky Mountains, is a bedroom community of Salt Lake City, which is 10 miles away. When the Picketts opened their business on Main Street, there were only five other eating places in town; now there are more than 100. Hard work, a loyal crew and a good reputation have helped Servus compete, says Pickett.

9 PACIFIC

Location: City of Commerce, CA
Association members: Virginia and James Filipan
Operation: Steven's Steak House
Profile: Fullservice restaurant
In business: 35 years
Seats: 300
Meals served: Lunch, dinner

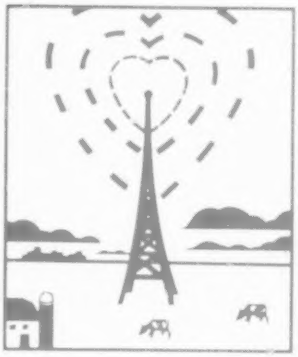
Steven's is known for large portions of food at reasonable prices. For example, the Big Jim prime rib is a 32-ounce piece of meat served with soup or salad, appetizer, vegetable and bread for $14.90. Other specialties are steaks and seafood, rack of lamb and an 18-ounce veal chop with wine sauce. All entrees come with a complimentary dish of spaghetti, made according to co-owner **Virginia Filipan's** own recipe. Desserts include chocolate mousse, cheesecake, carrot cake and fresh apple pie.

Filipan says business is steady, even though other area restaurants aren't doing as well. She says today's diners are more conservative. "They used to eat out three times a week; now it's only once a week, and they don't drink as much," she says. To attract additional business on special holidays, Stevens uses two-for-one promotions; for example the two-for-one Valentine special resulted in more than 300 dinner reservations.

—Julie Fintel

Love on the air

Advertising firms think long and hard to come up with catchy jingles or humorous lines while creating radio ads. Maybe they should!



take a lesson from Chuck Schmitt, assistant manager of the Submarine Sandwich Shop in Dubuque, Iowa, who found a most unusual way to grab audience attention at the end of the ad he ran on KDFX-FM radio—a marriage proposal.

Schmitt spent 50 seconds of the radio spot describing his shop's sandwiches, but in the final seconds, he changed his pitch by saying, "Katie, I know you're listening. I love you really. Will you marry me?"

Fortunately, Schmitt's girlfriend, Katie Ryan, was listening and she phoned in her answer—"yes."

—The Washington Times

Frankly speaking...

Before biting into their next hot dog, America's weenie lovers may read the fine print—not the ingredients listing, but the print right on the hot dogs. Viskase Company, an enterprising Chicago firm, has developed a frankfurt casing that can be emblazoned with personalized messages—including ads and logos.

Although hot-dog purists

may groan at the thought of the ad-on-the-frank scheme, foodservice manufacturers and distributors are eager to proceed. Restaurants, too, can take advantage of the casings' marketing potential by printing their logos or a special message on them. The one unknown still remains, however: Will customers read the dogs before smothering them in mustard and all the fixings?

—Los Angeles Times

Why liquor hits women harder

According to researchers at Mount Sinai Medical School in New York City, shortage of a stomach enzyme that breaks down alcohol before it hits the bloodstream may be the reason that women are more sensitive to alcohol than men.

Because women have less of the enzyme called alcohol dehydrogenase in their stomachs than men, they absorb a third more of the alcohol they consume. The study, which was conducted on 43 men and women, helps explain why women who abuse alcohol have shown a higher tendency than men to get liver disease. The researchers recommended differentiating by sex when issuing statements on the safe use of alcohol.

—USA Today

Finding an Asian venture

Despite failing to get one Chinese restaurant concept off the ground, General Mills, Inc., has not given up its quest to find the right Asian venture. The 1987 purchase of Leeann Chin's, a Minneapolis-based chain of buffet-style restaurants, was not successful for General Mills. After selling Leann Chin's back to the original owners, General Mills continued to look for the right Asian concept.

Now the company appears ready to proceed. Plans to open a test restaurant in Orlando (company headquarters) are underway. If General Mills follows its pattern of slow development, its Asian restaurants may not be ready for national rollout for several years. But when the time comes, the company is known for its aggressive marketing, and it will give other Asian concepts a run for the money.

—The Wall Street Journal

Champions of the world?

You could say Champions Sports, Inc., is a company that lives up to its name. The five-year-old firm, which operates 12 sports bars in the United States, is much like an athlete who after proving himself or herself on the national playing field is ready to take on international competition. Champions is planning to expand its business in several foreign markets, including Australia, Britain and the South Pacific.

It is a risky move, since sports bars are virtually unheard of overseas; but Champions believes its combination of good food and sports entertainment—including the promotional tie-ins with sporting events that the company is known for—will find eager new fans all over the world.

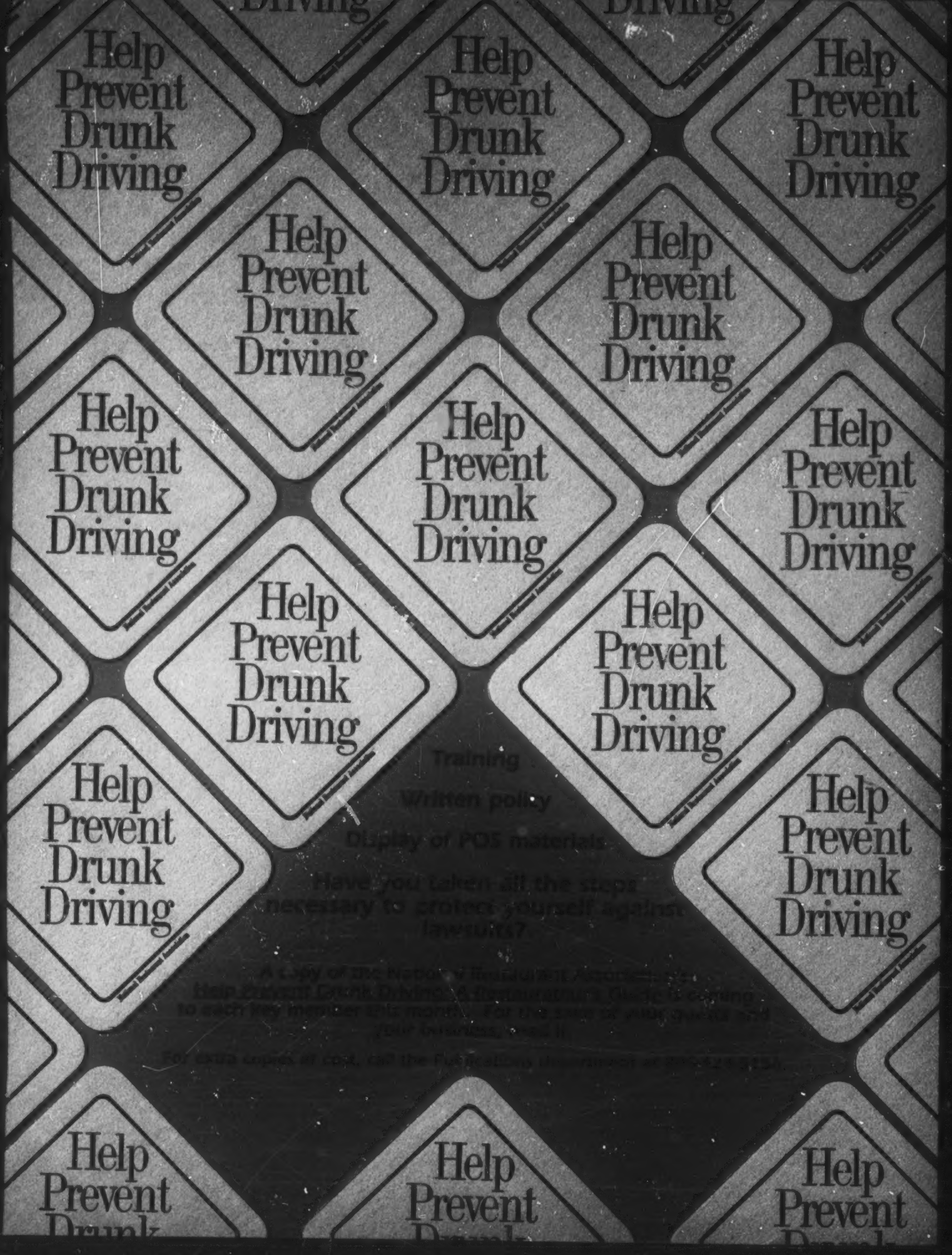
—The Washington Times

The right time and place

Professional baseball players dream of a day when they are inducted into the Baseball Hall of Fame. For former pitcher Jim Palmer, the call came on January 9 at 9:15 p.m. The place? Hersh's Orchard Inn, in Towson, Maryland, which is outside of Baltimore, home of the Orioles, where Palmer enjoyed his glory.

Following the announcement, Palmer, surrounded by friends and former teammates, held a press conference at the restaurant for the media who were present. Not to be outdone, Hersh's sent out its own press release—complete with photo of Palmer posing with the restaurant's owners, managers and chef.

—Hersh's Orchard Inn



Training

Written policy

Display of POS materials

Have you taken all the steps necessary to protect yourself against lawsuits?

A copy of the National Restaurant Association's Help Prevent Drunk Driving: A Restaurateur's Guide is coming to each key member this month. For the sake of your guests and your business, read it.

For extra copies at cost, call the Publications Department at [illegible].

MARINADES ■ FINE-DINING SURVIVAL TACTICS ■ SERVICE

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THE MONTHLY MAGAZINE OF THE NATIONAL RESTAURANT ASSOCIATION VOL. 10 ☐ NO. 4 ☐ APRIL 1990

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STATISTICAL REFERENCE INDEX
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Everyone needs an admission card to get into the Show

ASSOCIATION MEETINGS

SEMINARS

Basic Foodservice Courses

Dining Room Management

4/23	Philadelphia, PA
4/25	New York, NY
5/8	Boston, MA
5/9	Portland, ME

Kitchen Management

4/23	Atlantic City, NJ
4/25	Cincinnati, OH
6/4	Denver, CO
6/11	Portland, ME
6/12	Manchester, NY
6/18	Los Angeles, CA
6/19	San Francisco, CA
6/20	Sacramento, CA

Foodservice Management Courses

Banquet Management

4/23	Chicago, IL
4/24	Detroit, MI
6/11	Raleigh, NC
6/18	Cleveland, OH
6/19	Philadelphia, PA

Food Cost Management

4/27	Denver, CO
5/1	Harrisburg, PA
5/2	Knoxville, TN

Labor: Hiring, Training and Retaining

5/7	Tampa, FL
5/8	Miami, FL
6/5	Charlotte, NC
6/6	Nashville, TN

Off-Premises Catering

4/23-24	Minneapolis, MN
6/4-5	Boston, MA

Profitability

4/23	Boston, MA
5/8	Washington, DC
5/22	Richmond, VA
6/5	Pittsburgh, PA
6/6	Detroit, MI

Successful Buffet Management

4/23	Baltimore, MD
5/22	Portland, OR
5/23	Seattle, WA

For information, contact:
Educational Foundation of the
National Restaurant Association
250 South Wacker Drive
Chicago, IL 60606
(312) 715-1010 or 1-800-522-7578

If your company is interested in our in-house programs, call or write to the attention of Jeff Harrison at the above address.

Exciting things do happen at the 1990 National Restaurant Association Restaurant, Hotel/Motel Show May 19-23, 1990

Seminars scheduled during National Restaurant Association Restaurant, Hotel/Motel Show

5/19
Applied Foodservice Sanitation
Customer Service*
Dining Room Management
Food Cost Management
Franchising for Growth
Healthy Profits through Nutrition
Kitchen Management*
Labor: Hiring, Training and Retaining*
Perfecting Your Culinary Skills
Profitability
Promoting Your Restaurant*
Successful Buffet Management
Takeout Delivers Profits

5/20
Applied Foodservice Sanitation
Banquet Management
Dining Room Management*
Food Cost Management
Franchising for Growth*
Healthy Profits through Nutrition*
Kitchen Management
Profitability
Promoting Your Restaurant*
Takeout Delivers Profits*

**half-day program.*

Note: *All Chicago seminars except those at the Show are held in the educational foundation's conference center at 250 South Wacker Drive.*

EXECUTIVE STUDY GROUP SERIES

Foodservice Purchasing Managers
5/17-18 Chicago, IL

Internal Auditors
4/24-27 Key West, FL

Management Information Systems
4/17-20 Nashville, TN

Marketing Executives
5/16-20 Chicago, IL

Multi-Unit Architects, Engineers and Construction Officers (MAECO)
5/16-18 Chicago, IL

Quality Assurance
4/18-20 Atlanta, GA

For more information on specific study groups, contact: Philip Kralovec, (312) 853-2525.

The Executive Study Groups present semi-annual professional development programs for executives who would like to meet with their industry peers to share ideas and concerns. Executives in each of the afore-mentioned disciplines from member foodservice companies are welcome and encouraged to participate.

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RESTAURANTS USA

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PRESIDENT'S REPORT

Harris H. "Bud" Rusitzky, President
Serv-Rite Food Service and Consulting Corporation
Pittsford, New York

100,000 to attend Show

In just a little more than a month the 71st National Restaurant Association Restaurant, Hotel-Motel Show will open in Chicago's McCormick Place. The annual Show is the university of the foodservice industry; no industry professional can afford to miss it. From May 19 to May 23 attendees will have their choice of hundreds of exhibits, seminars and educational events.

Here is just a sampling of what you will find there: final tryouts for the 1992 Culinary Team USA, the Ice Carving Classic, the Culinary Arts Salon, an opening-day program featuring Pulitzer-Prize winning columnist Jack Anderson, daily grand-opening festivities for the new exhibit hall in McCormick North's lobby level, the Grand Banquet and Show/CLF Gala featuring Dinah Shore, a morning with Nora Ephron, The Salute to Excellence Reception and Dinner, The Salute to Excellence Student Forum, the Theater Series, the Management Clinics, educational seminars, the Main Course 10-K race and the Hennessy Awards Luncheon.

You can't afford to miss this chance to become acquainted with new products, new techniques and new contacts. Return the Show registration form you received in the mail to ensure admission and to reserve accommodations.

ADA progresses through Congress

The Americans with Disabilities Act (ADA), the law banning discrimination against disabled persons as consumers and as employees, has passed the Senate and two committees in the House. At present it is being considered by the Judiciary Committee, which will not finish with it until after the Easter recess. This will give representatives from our association more time to try to convince legislators and administrators that there are still problems with the bill as it is now written.

Our industry has an excellent record in regard to employing and accommodating the disabled. We support the intent of ADA, but we are fighting for a bill that will protect disabled individuals without unduly penalizing business.

Association seeks clarification of new minimum-wage law

The National Restaurant Association is alerting Congress to an apparent oversight in the new minimum-wage bill that will adversely affect many small businesses. In an effort to simplify the law an important section was deleted, with the result that the $500,000 small-business exemption no longer applies in many cases. The bill became effective April 1. As it stands now, all employees engaged in "interstate commerce" must be paid new minimum-wage rates—even if their employer grosses less than $500,000 a year.

If the Department of Labor decides to go ahead with strict interpretation and enforcement, the National Restaurant Association will seek legislative relief to correct this oversight.

Congress considers two child-care bills

Two versions of child-care legislation are now being considered by Congress. Both would provide money for aid to low-income parents through tax credits and for the expansion of existing programs, such as Head Start. Both would also give money to the states for direct aid to child-care providers. However, there remain some unresolved problems with both bills, including the scope of the bills and whether the federal government should mandate standards for providers.

Our association is firmly in favor of a child-care bill. Child-care aid would also make it possible for more people to enter the workforce. Of course, we must ensure that no employer mandates are included in any child-care bill that is passed.

Association teaming with MADD to push universal ID

At this year's Show, the National Restaurant Association will hold a press conference with MADD (Mothers Against Drunk Driving) to announce a joint push to (1) have states make reasonable laws punishing minors for using false IDs and (2) to have states issue a universal ID for minors. We're very happy that MADD sees the need for these actions on the part of the states and is willing to cooperate with us in lobbying the individual states to make the necessary changes.

PRO-MOTION enters ninth year

This year *PRO-MOTION* enters its ninth year of publication. Published by the National Restaurant Association, *PRO-MOTION* is a bi-monthly, four-page newsletter full of innovative—but practical—ideas for promoting your restaurant. You can pick and choose from the many proven promotions included in each issue, regardless of the nature of your business.

PRO-MOTION will help you take advantage of every potential holiday and traffic booster. Articles include new ways to update familiar promotional tools as well as offbeat and wacky suggestions for creating your own unique campaigns. Subscribe by calling 1-800-424-5156 or (202) 331-5900. Cost to members is $15.

Great Menu Contest winners announced

Judges from the media, the trade press and design firms gathered at our association's Washington DC headquarters March 13 to choose the winners in this year's Great Menu Contest. From nearly 600 entries they picked as first grand-prize winner New York Sports Authority, a sports restaurant/bar in Secaucus, New Jersey, operated by Prime Management Co., Inc., Fairfield, New Jersey. Second grand-prize winner was Denny's Inc., based in Irvine, California. Third grand prize went to Grisanti's, headquartered in Louisville, Kentucky.

In addition, prize winners were picked for each of nine categories. Look for the display of the Great Menu Contest winners at this year's Show.

New members, welcome

Last month 77 new members joined the National Restaurant Association. We welcome you and look forward to working with you on behalf of the foodservice industry.

Sincerely,

Bud Rusitzky

Harris H. "Bud" Rusitzky
President and Chairman of the Board

RESTAURANTS USA

COVER STORY: RENEWAL AND GROWTH AT THE 1990 SHOW

21 The 71st Annual National Restaurant Association Restaurant, Hotel/Motel Show will be held in Chicago, May 19-23. Just as the Show grows and renews itself each year through an infusion of new exhibits and events, Show attendees also return each year to learn and grow. This pre-Show newsletter provides a complete preview of Show attractions. To help you make your plans, don't miss the schedule of events that appears on pages 24 and 25.

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MORE N

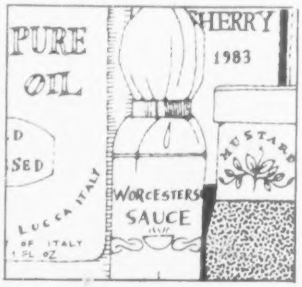
SPECIALS

10 Fine-dining survival tactics
With an increasing number of customers seeking a more casual and inexpensive dining experience, many white-tablecloth restaurants find themselves struggling to compete. Fine-dining operators from across the country describe their strategies for bringing in new customers—from completely changing their concepts to simply lowering their prices.

14 Service with a smile—and a guarantee
A restaurateur from Seattle describes how standing behind a service guarantee has transformed his business philosophy, increased his profitability and encouraged high morale among his employees.

18 Management by relevance
Managers often make decisions based on irrelevant material from accounting reports. This article offers methods for analyzing financial data by focusing on the information that is relevant to making specific decisions. It includes examples to show how it's done.

31 Marinades deserve a second look
Marinades have been used for centuries to tenderize and preserve meats, as well as to give foods distinctly robust flavors. In this article, noted chefs share their modern marination tips and recipes.



33 Eight tax-saving tips
These valuable pointers can take the dread out of the April 16 tax deadline—and save you big money.

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- ☐ CHRIE campaign needs sponsors
- ☐ Ninja Turtles invade Burger King
- ☐ Raising some green on St. Patrick's Day
- ☐ Hazan helps launch Atlanta restaurant
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Cover photo by Gary Landsman

Connecticut food professionals fight hunger

Caring in Connecticut. These Connecticut-area restaurateurs, caterers and food professionals joined together in *Bon Appetit's* Taste of the Nation benefit to fight hunger. Organized nationally by Share Our Strength (SOS), the benefit included food and wine tastings and dinners in more than 60 cities across the country.

CHRIE campaign needs sponsors

The Council on Hotel, Restaurant and Institutional Education (CHRIE) is developing a multi-faceted program to promote the wide range of employment opportunities offered by the hospitality and tourism industry. The program, called

Ninja Turtle home videos

Ninja Turtles invade Burger King. In its second Teenage Mutant Ninja tie-in, Burger King Corporation will offer consumers four separate video episodes of "Teenage Mutant Ninja Turtles" not released on home video. Working with Family Home Entertainment, the children's division of International Video Entertainment Inc., Burger King launched the promotion on March 29. A different turtle will become available each week for four weeks. The programs are "April Foolish," "The Great Boldini," "Invasion of the Turtle Snatchers" and "Sky Turtles."

Burger King is supporting the promotion with a bold advertising campaign, including prime-time and Saturday-morning spots. Posters, mobiles and promotional support materials are also being displayed in restaurants.

Hazan helps launch Atlanta restaurant

Marcella Hazan, the famed cooking expert and one of the world's best-selling Italian cookbook authors, is temporarily forsaking her home and kitchen in Venice, Italy. She is spending March and April in Atlanta, Georgia, as a hands-on consultant to a new restaurant, V.V. Vici (short for Julius Caesar's famous quote, "Veni, Vidi, Vici"). Set to open at the end of April, the restaurant will feature authentic, homestyle Italian cooking.

The chef, Joey Venezia, a graduate of the Culinary Institute of America, was previously at several of the country's leading restaurants, including the dining rooms of The Mansion on Turtle Creek in Dallas and the Bel-Air Hotel in Los Angeles. In preparation for the Atlanta opening, Venezia has worked extensively with Hazan, both in Italy and the United States.

Raising some green on St. Patrick's Day

Budweiser
SOMEBODY... Still Cares About QUALITY

Shamrocks and charity. McGuffey's in Hendersonville, North Carolina, raised $3,500 for Muscular Dystrophy during its St. Patrick's Day auctions. Local merchants donated such items as jewelry, rugs, wall hangings and clothing.

WELCOME
IN THE FUTURE
OPPORTUNITIES IN HOSPITALITY & TOURISM

"Welcome in the Future," is aimed at middle and secondary-school students. The program will include a combination music/educational video and print materials, including brochures, posters, stickers and buttons.

"One of the industry's main obstacles in recruiting new employees is its perceived image as an industry composed only of employees who work long hours in low-paying positions. Too often this is reinforced by representatives of other industries or members of the media who tend to stereotype industry employees as 'hamburger flippers.' We want to overcome that type of negative image and portray the industry in a more positive light," says Rudy Lakosh, director of employment for Stouffer Hotels & Resorts and chairman of CHRIE's hospitality recruiters special-interest section.

CHRIE has four objectives in producing the video: (1) to define the scope and magnitude of the hospitality and tourism industry in a way that is easily understood by middle and secondary-school students, (2) to enhance the image of the industry in the eyes of those same students, (3) to generate awareness among these students of the multitude of opportunities for both short-term employment and life-long careers in the industry and (4) to assist the industry in attracting qualified employees.

CHRIE is seeking financial contributions and in-kind donations for the production and distribution of the video and the other project components.

Everyone who contributes to the project will be listed in the credits following the video and all accompanying printed materials. In addition, for every $100 contributed to the program, donors will receive a complimentary copy of the video.

Information kits containing a copy of the "Welcome in the Future" logo, theme song and other materials are available by contacting Douglas E. Adair, executive vice president, CHRIE, 1200 Seventeenth St., N.W., Washington DC 20036-3097. Telephone (202) 331-5990.

Telling the old from the new

New label for Perrier. **A "Nouvelle Production" label will identify Perrier produced under new quality-control procedures—double filtration of the carbon dioxide, controlled industrial trials, specific tests for hydrocarbonate compounds and back-up verification by both an outside laboratory and a team of international experts. Distribution is scheduled for April in the United States.**

Hooray for holidays!

Dear Editor:
Your article on the 12 most popular holidays for dining out was very interesting.

As I read through each paragraph, I found myself agreeing with almost every word you had written. And each and every one of the holidays mentioned is a hot ticket here at "Sebbie's." However, your ranking of holidays is a little different from the way we rank here. Of course, birthdays are still number 1, but the rest of the ranking varies . . .

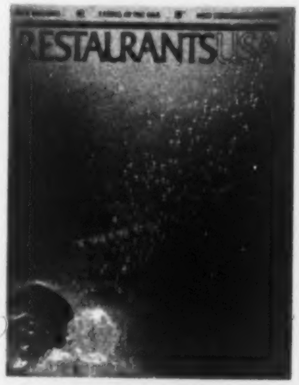
	Rank
Birthdays	1
New Year's Eve	2
Mother's Day	3
Easter	4
Valentine's Day	5
Secretaries' Day	6
Christmas Eve	7
Father's Day	8
St. Patrick's Day	9

We are closed on Thanksgiving Day, Christmas Day and New Year's Day. It seems that regardless of the holiday, we always book three to four weeks in advance. I believe this is due to our reputation and our view.

Sebastian's is located at the top of the Prune Yard Tower in Campbell, California, right in the heart of Silicon Valley. This is the tallest building between Los Angeles and San Francisco, and we are nestled right at the top. As you can imagine, our view is spectacular! The nightclub, Club Jenine's, sits above the dining room at penthouse level. It, too, has an incredible view. Hence the restaurant has a reputation of being very romantic, and it caters not only to the large Silicon Valley corporations but also to what we like to call "special occasioners."

I read your publication religiously, and I always look forward to reading the many interesting articles. I would be interested if ***Restaurants USA*** would feature more events and restaurants in the Northern California area, specifically the South Bay. I would love to see what the East thinks of the West.

**—Cynthia Maloney,
marketing coordinator,
Sebastian's, Campbell, CA**



Employees need more information about AIDS

Few people would have guessed that a rare disease identified at the start of the 1980s would have the potential to drastically change our lives. Almost every aspect of living has been affected to some extent by Acquired Immune Deficiency Syndrome (AIDS). The hysteria surrounding AIDS is a major problem facing the hospitality industry. Studies show that employers believe that AIDS is the number-one long-term issue facing the foodservice industry.

Basic Facts about AIDS

For Foodservice Employees

Editor's note: **The National Restaurant Association provides educational materials on AIDS for managers and employees. Both a brochure and videotape are available. Call the publications department at 1-800-424-5156, or (202) 331-5900.**

Medical experts at the AIDS Service Organization at the Centers for Disease Control say there is no evidence that AIDS can be spread through restaurants or by food handling. The Florida Department of Health and Rehabilitative Center has issued a public-interest message that says AIDS cannot be spread by:

1. touching dishes, clothes, tools
2. eating food prepared by a person with AIDS
3. being near a person with AIDS
4. spitting, coughing, or sneezing
5. using toilet seats, bathtubs, etc. and
6. nonsexual physical contact, such as a handshake.

With regard to workers, such as cooks, waiters and bartenders, the Centers for Disease Control state that all laboratory evidence indicates that blood-borne and sexually transmitted infections are not transmitted during the preparation or serving of food or beverages. The stark reality, however, is that restaurant traffic and sales are decreasing because of the AIDS scare.

In 1989 I conducted a study in Eau Claire, Wisconsin, selecting 120 foodservice employers/employees of various establishments at random. Eighty-seven agreed to participate in the study, resulting in a response rate of 73 percent.

The study group indicated that they have some knowledge regarding AIDS; but when the same group was asked if they had received any kind of formal education on the AIDS topic, the majority answered that they had not received formal education.

The majority of the participants believe that AIDS is a major health problem, and they show no concern about contracting the disease.

Half of the participants believe that it is very possible to contract AIDS when eating in a restaurant where the chef or the server has AIDS; 69 percent believe that AIDS is transmitted through casual contact.

On the basis of the study findings and the research of others, I strongly urge foodservice employers to establish an AIDS-education program. Otherwise the financial repercussions of the AIDS hysteria on the foodservice industry will continue to build, leading to a loss of business and high turnover rates.

—Said Ladki,
assistant professor,
West Virginia University,
Morgantown, West Virginia

Readers are invited to comment on industry issues, ***Restaurants USA*** *articles and association activities. Send your opinions to Feedback,* ***Restaurants USA,*** *1200 Seventeenth St., N.W., Washington DC 20036-3097. Submissions may be edited for length.*

WASHINGTON REPORT

Stiffer penalties for child-labor violations

"There has been a dramatic increase in child-labor violations, and we believe that one of the ways to turn that trend around is to make it more costly for those who violate the law," said Bill Brooks, assistant secretary for the U.S. Department of Labor's (DOL's) Employment Standards Administration (ESA) in an interview with ***Restaurants USA.*** Thus DOL has announced a new policy to crack down on people who employ minors illegally.

Larger fines expected

As the head of ESA, which enforces child-labor and other labor standards through its wage and hour division, Brooks is in charge of implementing the tougher child-labor enforcement policy announced on February 7 by DOL Secretary Elizabeth Dole.

Federal child-labor laws limit working hours for children under age 16 and prohibit workers under age 18 from certain "hazardous occupations."

DC ROUNDUP

□ **New wage law takes effect.** The federal minimum wage rose for the first time in eight years on April 1, climbing to $3.80. At the same time, the maximum federal tips credit increased from its current 40 percent to 45 percent.

Although the new law exempts small businesses grossing less than $500,000 a year, companies grossing between $362,500 and $500,000 must continue to pay employees at least $3.35 per hour and follow overtime and child-labor laws.

Because of a change Congress made in last year's wage bill, any employee who engages in "interstate commerce" during a work week, *even in a business grossing less than $500,000 a year,* is fully covered by federal minimum-wage law for that week.

The National Restaurant Association has begun urging Congress to repeal the interstate-commerce distinction, arguing that lawmakers had no idea of the complications this requirement would cause for small businesses.

□ **DOL releases training-wage regulations.** Nothing is simple in government, as recently proven by the 14-page guide to the new training wage that the U.S. Department of Labor (DOL) published in the March 1 *Federal Register.*

Employers who want to pay workers the new training wage beginning April 1 must follow a host of rules. Eligible employees under age 20 may be paid the training wage—at a rate no lower than $3.35 for the year beginning April 1, 1990—for up to 90 days. Workers may be paid the lower wage for an additional 90 days if they change employers and the new business provides on-the-job training in accordance with DOL rules.

DOL will solicit public comment on its "interim" training-wage rule until April 30. Changes are expected when DOL publishes a final rule.

□ **Association argues against ban on loans for dispensing equipment.** National Restaurant Association lobbying director Mark Gorman appeared be-

Until the February 7 announcement, DOL's policy had been to fine guilty employers up to $1,000 for each illegally employed child. Under Brooks' new directive, wage-and-hour investigators will penalize guilty employers up to $1,000 for each violation against each child.

In addition to the new fines policy, Brooks also pledged to make greater use of court injunctions against people who "egregiously disobey the law."

Although DOL's tougher enforcement policy will lead to heavier penalties, Brooks emphasized that "the people who today are living within child-labor laws will not be affected by the changes at all. We will operate within the framework of our existing laws, but we're going to make it more costly for employers who violate them."

Brooks says DOL plans to hike fines for child-labor violations.

Other changes possible

Testifying at a March 16 House subcommittee hearing on child labor, Brooks said that increased enforcement of current regulations is "not the end of our overall action plan on penalties" and promised to "take a hard look at whether the present statutory maximum penalty of $1,000 per violation should be increased."

Reps. Donald Pease (D-OH) and Charles Schumer (D-NY) announced at the hearing that they plan to introduce a bill to increase the maximum civil and criminal fines for child-labor violations and to require jail terms for repeat violators.

Schumer said that among several other provisions, his bill would clearly prohibit young employees from operating power-driven food slicers. DOL is also working to make this policy official, codifying its longtime practice of penalizing employers who allow restaurant workers under age 18 to operate power food slicers.

The Government Accounting Office expects to release a report on child labor to Congress by May that will help determine specific legislative changes to child-labor laws.

Other recommendations for reform may emerge from a DOL task force, established in February, that has begun a comprehensive study of child-labor issues.

—Andrew McLauchlin

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fore subcommittees of the Senate Commerce and Judiciary committees in late February to testify against S. 114, a bill introduced by Sen. Daniel Inouye (D-HI) to prohibit soda companies from providing restaurants with low or no-cost soft-drink dispensing equipment.

Inouye calls the practice anticompetitive, claiming it hurts the smaller companies that sell dispensing equipment. Gorman argued that the practice is a legitimate marketing tool similar to other accepted promotional incentives. Banning equipment loans, he said, could raise costs for smaller restaurants, which often do not have the capital to invest in top-quality equipment.

☐ **FDA bans sulfites on "fresh" potatoes.** Beginning April 16, 1990, the U.S. Food and Drug Administration (FDA) will ban the use of any sulfiting agent on "fresh" potatoes served or sold unpackaged and unlabeled to customers.

The anti-browning preservatives have been implicated in at least 17 deaths and 1,000 severe reactions among sulfite-sensitive individuals. The use of these preservatives has already been banned on fresh fruits and vegetables, and FDA requires labeling on any processed foods that contain sulfites above a detectable level.

The agency has not banned sulfites in canned, dehydrated or frozen potatoes. The National Restaurant Association recommends that operators read labels on the packaged foods they serve to find out whether these products contain sulfites.

☐ **Treasury requires larger warnings on alcohol labels.** Responding to consumer complaints that warnings on alcohol containers are too small or overly condensed, the U.S. Treasury Department has written new regulations governing the size and placement of these warnings.

Since last November, alcohol containers have been required to carry warnings about the dangers of drinking and driving and of drinking during pregnancy. Under the final ruling, these warnings must be more prominent and readable beginning this November.

—Denise Roach

Prohibited work

Under federal law the minimum permissible work age is 14. At age 18, teenagers may work at any job. Although this list is not complete, restrictions on the permissible type of work for youths 14 to 18 include the following:

Under federal child labor law, 14 and 15-year-olds may not:

☐ Work in or around a boiler or engine room

☐ do maintenance or repair work on machines and equipment

☐ work with ladders, scaffolds or similar equipment

☐ cook (except at soda fountains, lunch counters, snack bars or cafeteria serving counters) or bake

☐ operate, set up, adjust, clean, oil or repair power-driven food slicers and grinders, food choppers and cutters, and bakery-type mixers

☐ work in freezers and meat coolers and

☐ load or unload goods to and from trucks, railroad cars or conveyors.

Minors aged 16 and 17 may not:

☐ Operate power-driven shearing machines or bakery machinery (Note: DOL has taken the position that 16 and 17-year-olds may operate pizza-dough rollers only if the dough rollers meet certain safety criteria.)

☐ operate circular saws, band saws and guillotine shears.

Editor's note: All states have child labor laws. Many of these set higher standards than the federal law. Whenever a state standard differs from a federal standard, the higher standard must be observed.

FINE-DINING SURVIVAL TACTICS

THE SEARCH FOR VOLUME WITH LOWER PRICES

by Julie Fintel

When Richard Krause and Lee Friedman opened Melrose in Greenwich Village in October 1987, business was great for two years. Then the owners saw a decline, as customers, primarily from Wall Street, either couldn't afford to come there anymore or went to try the city's latest "fashionable" eating places. So Friedman transformed Melrose into a bistro with a new name (Barrow Street Bistro), simpler food, a more casual atmosphere and lower prices.

On the other side of the country, in Santa Monica, California, Michael McCarty, owner of Michael's, realized that his restaurant's reputation as one of the most expensive in Southern California was keeping new customers away. McCarty cut prices at Michael's by a third.

In Atlanta, Buckhead Restaurant Group, owners of upscale Capriccio Ristorante, found out the city's diners preferred their Italian restaurants to have a more casual atmosphere, with prices to match. Capriccio is in the process of making up a new menu that will include more lower-priced items to bring the average individual check down from $42 to $26.

These restaurants, like many others, are finding ways to respond to the changing times—times when growth in the foodservice industry is the slowest it's been since 1980, when value for the dollar is of keen concern and when an ever-greater number of establishments are scrambling for an ever-smaller share of the dining-out dollar.

The baby boomers and their changing lifestyle are also responsible for a decline in popularity of high-priced establishments. The boomers are settling down and having babies of their own; and they're eating out in more relaxed, less expensive eateries.

Fine dining feels the pinch

Fine-dining restaurants are feeling the pinch most of all. Although restaurant owners agree that fine dining will always have its appeal, changing economic conditions have limited the number of people who can afford to respond to that appeal. Thus many white-tablecloth restaurants are making adjustments.

Some are changing their menus to include more lower-priced items. Some are adding a bistro-like addition to their more expensive dining rooms. And some, like Melrose, are doing away with their whole fine-dining concept and replacing it with a more casual look, simpler food and lower prices. Whatever the solution, the intent is usually the same—to increase volume by finding new customers while continuing to please the old ones.

Friedman's restaurant, Melrose, used to do a big business with the financiers of Wall Street. "My old customers were on an expense account and liked to come to the restaurant because it was the latest fashion," he said. But as the financial business floundered and other restaurants became the "in place," Friedman decided he needed a different kind of customer. He turned Melrose into a bistro, with lower prices to match.

He replaced the high-tech look with a cozier decor by installing different lighting, using softer colors and hanging curtains at the windows. He changed the food, too—from California-style nouvelle cuisine to heartier, simpler dishes like lamb chops, rib-eye steak, liver and onions, and sea bass in parchment. Average price for a dinner has dropped to $20 to $25, as compared to $50 in the original restaurant. A grilled-chicken-and-fries entree costs $11. Along with the new look and new menu came the new name Barrow Street Bistro.

The changes have paid off. During the first week the bistro was open, business was up 50 percent; the second week it rose another 50 percent.

Tactics on the East Coast

Friedman's experience is typical of what's happening to other restaurateurs in New York City, where the changing economic climate has hit hardest. The October 1987 stock-market crash began a trickle-down effect that has meant a drop-off in sales for many of that city's fine-dining restaurants. Financial houses have either closed or laid people off, and those who still have jobs have less money to spend. Since last September, 6,000 jobs have been lost on Wall Street—in addition to 17,000 lost in the previous two years. The recent bankruptcy of Drexel Burnham Lambert Inc. dealt another big blow to the city's financial sector; it is expected to result in a total loss of 3,400 jobs by the end of this year.

Julie Fintel is a communications specialist at the National Restaurant Association.

Eric Westbrook

Plus there's the nature of the restaurant business itself in New York City. New Yorkers pride themselves on knowing which restaurants are the "in" places. But what's "in" one year can become "out" the next, as patrons flock to the newest establishment that has captured the attention of the "people who count."

So restaurateurs are less likely to position themselves as trendsetters. Instead, they are opting for a more regular clientele. "We want to be like an old shoe that's comfortable and familiar," says Friedman of his new restaurant. To attract the neighborhood residents and area workers, he has placed advertising in all the local papers and magazines, calling Barrow Street Bistro "a down-home bistro with solid popular prices."

The new bistro has also attracted the attention of restaurant reviewers, who are giving him lots of favorable free publicity in local publications. Another tactic Friedman uses to bring in neighborhood business is to not book reservations too far in advance. At the old restaurant, customers made reservations a few weeks ahead of time. Now the bistro tries to keep weekends open as close to a Friday or Saturday night as possible to bring in locals making last-minute plans. In fact, Friedman tries to leave 40 percent of his bookings open for walk-ins.

Other New York restaurants are trying to offer more for less. Tavern on the Green, where the average luncheon price was $26, has added fixed-price lunches for $13.50 to $18.50. For the lower prices, patrons get a choice of soup or salad, choice of eight entrees and six to eight desserts, and coffee or tea. The most popular entree, says Kate Merlino, director of the restaurant's public relations, is the braised short ribs of beef served with bow-tie pasta.

The fixed-price lunch was begun in February as a way to boost business during a normally slow period, but it has proved so popular that Tavern on the Green intends to continue it indefinitely. Merlino says the lunches are bringing in people who had previously perceived the elegant-looking restaurant as being out of their reach.

Lafayette, a French restaurant in the Drake Hotel, has also added a fixed-price $25 lunch Monday through Friday as an alternative to its regular fixed-price lunch for $37.50. Called the "Businessman's Lunch," it consists of an entree, a small green salad, dessert and coffee. Some favorite entree choices are poached shrimp with combavas and lemongrass juice or the rare-roasted squab with foie gras.

"We added the Businessman's Lunch for three reasons," says manager and maitre d' Richard Regner. "People want less food; people are in a hurry, and people want to spend less." There's been a lot of positive response, he said, and business has increased.

Tactics on the West Coast

According to the U.S. Bureau of the Census, the Los Angeles-Long Beach metropolitan area had more eating places in 1987 than did New York City. With competition keener than ever, it is not surprising that the restaurant industry in Southern California is also experiencing a slump, especially in the fine-dining sector.

Experts say there are just too many restaurants in the area. McCarty thinks one of the main reasons for the decline in business is that people no longer want to be bothered with trying all the trendy things. "People and their lifestyles have changed in the past 10 years," he notes. "They're at a different stage in their lives, and they don't have the energy to try all kinds of different things. They have matured in their tastes, and now they're looking for value. It's no longer worthwhile to be just a flash in the pan," he says.

He cut prices at Michael's because he wanted a new customer base. He realized, he said, that the cut would have to be large enough to attract publicity—he needed to get the word out that the profile of his restaurant had changed. "The one-third cut worked fabulously," he said. Whereas before people used to tell him that they heard his restaurant was great but it was so expensive (with emphasis on the expensive), now they tell him, "Your restaurant is great, and I can't wait to go back."

McCarty is also lowering prices at his Adirondacks restaurants in Denver and Washington DC. His new restaurant, Michael's, in New York City, opened with prices comparable to the lower prices at his Michael's in Santa Monica.

Ken Frank, owner/chef at La Toque in West Hollywood, California, does not share McCarty's enthusiasm for lowering prices. He calls it a dangerous strategy because it acknowledges that "you've been charging too much to begin with. Customers will think it's great in the short term. But in the long term they will resent that you got away with it for so long," he says. Frank says business at his restaurant, where the average dinner check is $50 (including wine and dessert), is good—up from last year—although he acknowledges it isn't what it was 10 years ago.

Frank's survival strategy has been to hold the line on prices. He's also added a fixed-price dinner: For $36, customers get an appetizer, a pasta dish and an entree. On one particular evening, for example, the pasta was angel-hair with pesto and the entree was either white fish or grilled duck breast. (La Toque has always had a $55 fixed-price dinner consisting of a choice of six of the best things on the menu. Even though that's expensive by Los Angeles standards, Frank calls the $55 dinner well worth the money—a good value.)

Frank is planning to tear down La Toque and build in its place a new restaurant with a larger kitchen. The food will be the same, the name may or may not be the same—and the prices will be the same.

Tactics elsewhere

The restaurant slump may not be as drastic between the coasts as it is in Southern California and the New York City area, but restaurateurs in other parts of the country are making adjustments, too.

Twenty-One Federal in Washington DC has just lowered its prices by about 15 percent. The average per person check at dinner is now $42 to $46, compared with the previous $55 to $59. Regular menu choices are still available, but the restaurant has added more lower-priced offerings. "We've added soups, risottos, pasta

picked up 35 to 45 per
the restau-
rant lowere[illegible] last
July.

and light entrees like fricassee of spring vegetables and grilled tuna with artichokes," says manager David Marconi. Twenty-One Federal is also promoting wine by the glass at lunch, and in the evening features a bottled wine at a special price.

The changes were made because, although the restaurant does a capacity business at lunch, it wanted more volume at dinner. Marconi was afraid the restaurant was turning into a special-events destination, with people only coming once every two months—a sign that a restaurant is overpriced, he says.

In Wheeling, Illinois, outside of Chicago, Le Francais has always been one of the most expensive restaurants in the area. New owners Mary Beth and Roland Liccione will continue to keep the high quality of the food and service, but they've lowered prices 20 percent to attract new customers. Entree prices now average $29, compared with $35 under the previous owners, but the portions are smaller. Mary Beth Liccione is also doing a little redecorating to give the restaurant a more informal tone that she hopes will make the customers feel more at ease.

In Atlanta, Capriccio Ristorante plans to lower prices later this year, adjusting its average ticket price to $26 from $42, by giving diners more of a price range from which to choose. The reason for the changes, says Elaine LaMontagne of LaMontagne, Inc., director of public relations, is that there has been a surge of Italian restaurants in the area so competition has become more fierce.

Menu changes haven't been decided yet, but the restaurant is considering adding more dishes like its popular entree of black and white pasta with fresh mussels and shrimp served in a garlic, white wine and tomato herb sauce for $12.95.

Capriccio's decor will also be transformed. The restaurant is breaking down a wall that separates a dining area from a kitchen so that diners can watch fresh pasta and baked goods being made. Also coming down may be its ornate columns, cherubs and statues, to give the restaurant a more informal look.

One promotional tool to attract diners looking for value is dining clubs. The clubs are a sophisticated version of the two-for-one offer, often better suited to fine-dining establishments than coupons. For example, Nicholas in the Mayflower Hotel in Washington DC, offers membership in the Commodore Club. Members can entertain a guest free 13 times a year. If a member entertains one guest, 50 percent is deducted from the bill; if he or she entertains two guests, 33 percent is deducted, and so forth.

The club is operated by Hotel Mark, a firm based in Hawaii, that sells the memberships by telemarketing to local companies and individuals. Nicholas currently has 1,500 members making use of the restaurant. "There is especially heavy usage at lunchtime. Some companies will buy as many as five membership cards," says Kevin McPhee, the Mayflower's director of food and beverage, who notes that many of the diners are taking advantage of the savings during business lunches. The restaurant has been a part of the Commodore Club for five years; and although McPhee says it is difficult to give exact figures, he reports that over that time there has been a definite increase in sales.

Price of a membership is $80 and also includes two certificates good for $100 off on guest rooms on holidays and weekends and one complimentary night at the hotel on a weekend.

Turning less into more

Lower prices don't necessarily mean lost revenues. Even though prices are lower, increased volume of customers can translate into higher profit, especially when operating costs are also pared. "The labor costs are proportionally lower; it [more casual dining] doesn't require the fine attention to detail or the intensive training for service personnel that fine dining does," says John Dayton, co-owner of the Routh Street Cafe in Dallas.

Simpler food not only takes less time to prepare and serve, it can also mean more turnovers. And simpler food requires less costly ingredients. Restaurants that specialize in nouvelle cuisine are switching to heartier fare and bigger portions. Friedman said his customers were complaining they were still hungry after eating the nouvelle cuisine at Melrose. "Now they see more food on the plate—at less money—as a greater value," he said.

Ultimately, greater value means more repeat business. When the prices are lower, customers will return more often. "We're not just a special-occasion restaurant anymore," says Robert Papke, who manages Adirondacks in Denver. "Since we've lowered our prices, our customers can afford to come monthly." Business at Adirondacks has picked up 35 to 45 percent since the restaurant lowered prices last July.

Doing what's necessary

Fine dining with its corresponding high prices still has a place, restaurateurs agree. But the number of customers who are willing to pay the price is declining. A few upscale establishments will survive without making any changes, but the majority must find additional customers and make the changes necessary to remain competitive. ❑

VIEWPOINT

SERVICE WITH A SMILE— AND A GUARANTEE

Work the kinks out of your operation with a service guarantee and watch profits soar—if your employees have the authority to fix problems on the spot and you look for system—not employee—failures.

by Timothy W. Firnstahl

I operate Jake O'Shaughnessey's, Von's Grand City Cafe, The Kirkland Roaster and The Lake Washington Grillhouse in and around Seattle. And I believe that my restaurants exist for one reason only—to make other people happy. Every time we fail to raise a customer's spirits with good food, gratifying service and a soothing atmosphere, we haven't done our job.

This observation may seem self-evident and trivial, but I have found it to be the very key to growth and profits. And after much trial and error, I have come up with a strategy for ensuring customer satisfaction that has worked wonders in my restaurants and can, I'm convinced, work wonders in other businesses, too.

Service success starts with a guarantee—not that moth-eaten old promise of a cheerful refund—but a guarantee that customers will be satisfied with their whole experience of the company's products and services. It moves on to a system of giving employees complete responsibility and authority for making the guarantee stick. It ends with a process for identifying system failures—the organizational problems that cause customer dissatisfaction.

A strategy is born

My strategy had its origins in the success of Jake O'Shaughnessey's. Jake's, *By welcoming every guarantee payoff—every system-failure expense—as an otherwise lost insight, you can make every problem pay a dividend.*

which specializes in steak and features a huge bar, started in 1979. Five years ago, we had three restaurants, $7.5 million in sales and moderate profits. Clearly, many of our customers were satisfied.

But I was bothered by what I saw as an unacceptable level of complaints and by our haphazard responses to them. Not that we didn't try. We happily apologized and gave a free dessert to any customer who complained about slow service, and we cheerfully picked up the cleaning bill when one of our employees spilled the soup. Customers who wrote in to complain about reservations mix-ups or rude service got certificates for complimentary meals.

But our procedures for responding seemed all wrong. Giving out that free dessert required approval from a manager. Getting a suit cleaned meant filling out a form and getting a manager to sign it. I also didn't like the idea that people had to *write* to us with their complaints before we made amends. And I wasn't convinced that a free meal was enough.

Moreover, our response to complaints didn't appear to have any effect on the number or type of complaints we received, most of which concerned speed of service and quality of food. And it wasn't the employees' fault. They knew complaints had top priority, but they didn't know how to respond to them. We were all on a treadmill, getting nowhere.

WAGS—the promise

Then five years ago, when the book *In Search of Excellence* was in vogue, I spent considerable time writing "10 Tenets of Excellence" for our organization. We included them in our training manuals and posted them in the restaurants and the offices. One day about a year later, someone asked me what the sixth tenet was—and I couldn't tell her. It came to me that if I couldn't remember the 10 tenets, surely no one else could either. That meant the company had no strategy known to its employees.

So I hit on something simpler and more compelling—the guarantee. We expressed it as a promise: *We Always Guarantee Satisfaction.* As a company rallying cry, it seemed to work much better than the tenets of excellence, because everyone could understand it, remember it and act on it. For the first time, employees and management had a strategy in common.

We Always Guarantee Satisfaction became our driving force. We included the promise in all our advertising. We printed it on every menu, letterhead and guest check. We reduced it to an acronym—WAGS.

We held a series of meetings, where we found our employees receptive to both the acronym and the simplicity of the idea. Each of our 600 employees signed a contract pledging WAGS follow-through. We created a WAGS logo and put it everywhere—on report forms, on training manuals, on wall signs. We started the *WAGS News* and distributed WAGS pins, shirts, name tags—even underwear. We announced that failure to enforce WAGS would be cause for dismissal.

For a year or so, WAGS dominated the company's consciousness. But as time went by, I grew increasingly uncomfortable. Complaints were coming in at the same old rate. I could see the guarantee being implemented here and there, now and then, but not on a regular, companywide basis. I had run into another brick wall.

Making the promise good on the spot

One evening about two years ago as I was driving home from work, I realized the cause of the problem. The guarantee by itself wasn't enough. We had given employees responsibility without giving them authority. The result was that they tried to bury mistakes or blame others. I saw it every time we tried to track down a complaint. The servers blamed the kitchen staff for late meals. The cooks blamed the servers for placing orders incorrectly.

Problems inevitably crop up in a busy restaurant; and when a customer grumbles, the tendency is to gloss over the complaint with pleasantness. Follow-through means fetching the manager or filling out forms or both. Climbing the ladder of hierarchical approvals is simply too frustrating and time-consuming—for customers as well as employees.

For our guarantee to be truly effective, we needed to give workers themselves the power to make good on the promise of the guarantee—at once and on the spot, thus eliminating the hassle for the customer and for the staff. This meant no forms to fill out, no phone calls to make, no 40 questions to answer—just immediate redress by the closest employee.

So I instituted the idea that employees can and should do anything to keep the customer happy. In the event of an error or a delay, any employee—right down to the busboy—could provide complimentary wine or desserts, or pick up an entire tab if necessary.

Of course, we provided some guidelines. For instance, when guests had to wait more than 10 minutes beyond their reservation time but less than 20, we suggested free drinks. If they waited more than 20 minutes, the entire meal might be free. If the bread arrived more than 5 minutes after the guests were seated, we suggested free clam chowder . . . and so forth, using what we knew to be optimum intervals for most orders.

At the same time, we urged employees not to get bogged down in guidelines. The last thing we want is nitpicking: "OK, I got them the bread

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Timothy W. Firnstahl is a fourth-generation food maven and president of Satisfaction Guaranteed Eateries in Seattle, which operates fine-dining restaurants in the Northwest. Firnstahl is also president of Ultimate Strategy Services, a restaurant consulting company that specializes in organizational development processes to maximize customer satisfaction.

This kind of problem solving is popular with employees. Since the object of change is always the company, employees don't get blamed for problems beyond their control.

in five minutes exactly. Do I just apologize, or do they get clam chowder?" Satisfaction does not mean quibbling—it means a contented customer, which we define as a customer who is willing to return. Different guests respond in different ways, so we tell our employees not to feel limited by the guidelines and to do whatever it takes to make sure guests enjoy themselves.

In the beginning, employees were wary of their new authority. Never having had complete control, they were naturally hestitant and skeptical. It was hard to convince them they wouldn't be penalized for giving away free food and drinks.

But once they got used to the idea, employees liked knowing that the company believed so strongly in its products and services that it wholeheartedly stood behind its work—and theirs. Preeminence in any field gives people feelings of self-worth they can never get from just making a buck. Their power as company representatives increased their pride in the business, and that, in turn, increased motivation.

Once our employees overcame their skepticism, they quickly grew creative and aggressive in their approach to the guarantee. In one case, a customer wanted a margarita made the way a competitor made it. So our bartender called the bartender at the other restaurant and, bartender-to-bartender, learned the special recipe. In another case, an elderly woman who had not been in our restaurant for years ordered breakfast, which we no longer served. Someone went to the market for bacon and eggs, and we served the breakfast she wanted.

If the guarantee is really working the way it's supposed to, customers become less inhibited about complaining. Too often, customers hold their peace but vote with their feet by taking their business to the competition.

We asked for criticism. Once a month, using reservations lists and credit-card charges, groups of employees called several hundred customers and asked them to rate their experience. "Was the food and service lousy, OK, good, very good, or excellent?" they wanted to know. If the customers said, "OK," that meant "lousy" to us, and they got a letter of apology, a certificate for a free meal and a follow-up phone call.

Aside from the data we gathered, the phone calls were a great promotion. Most people were amazed and delighted that we took the trouble to phone them, and many developed enormous loyalty to our restaurants.

The cost of the promise

Customer complaints are company failures and require immediate correction. So far so good. But corrections cost money. Free drinks and meals add up quickly.

Yet, paradoxically, spending money is the goal. Every dollar paid out to offset customer dissatisfaction is a signal that the company must change in some decisive way. The guarantee brings out a true, hard-dollars picture of company failures and forces us to assume full responsibility for our output. The cost of keeping a company's promises is not just the price tag on the guarantee, it is the cost of system failure. The money is spent because the product did not perform, and when the product fails to perform, the system that produced it is at fault.

A somnolent business can be rudely awakened by the magnitude of its system-failure costs. We certainly were. Our previous guarantee expenses doubled. The problems had always been there, hidden. Only the huge cost of the new strategy revealed that they were gutting profits. Suddenly we had a real incentive to fix the systems that weren't working, since both the alternatives—sacrificing profits permanently or restricting the power to enforce the guarantee—were unacceptable.

Notice that system-failure costs are not the same as employee-failure costs. System-failure costs measure the extent of the confusion in company structure, for which management alone is to blame. By welcoming every guarantee payoff—every system-failure expense—as an otherwise lost insight, you can make every problem pay a dividend. The trick is to reject the band-aid solutions, to insist on finding the ultimate cause of each problem, and then to demand and expect decisive change.

Our search for the culprit in a string of complaints about slow service in one restaurant led first to the kitchen and then to one cook. But pushing the search one step further revealed several unrealistically complex dishes that no one could have prepared swiftly.

In another case, our kitchens were turning out wrong orders at a rate that was costing us thousands of dollars a month in wasted food. The cooks insisted that the servers were punching incorrect orders into the kitchen printout computer. In times past, we might have ended our search right there, accused the servers of sloppiness, and asked everyone to be more careful. But now, adhering to the principle of system failure—not people failure—we looked beyond the symptoms and found a flaw in our training. We had simply never taught servers to double-check their orders on the computer screen, and the system offered no reward for doing so. Mistakes plummeted as soon as we started training people properly and handing out awards each month for the fewest ordering errors and posting lists of the worst offenders (no punishments, just names).

Of course, correcting system failures is seldom an easy task. One way to avoid making problems worse is to audition solutions with small, quick-hit field tests. For example, we experiment with new service procedures at one station in one restaurant, or we offer new menu items as nonmenu specials, or we borrow equipment for a test run before leasing or buying it. When we had a problem with coffee quality, we tried using expensive, *Yet, paradoxically, spending money is the goal. Every dollar paid out to offset customer dissatisfaction is a signal that the company must change in some decisive way.*

high-quality vacuum carafes in one restaurant. Quality improved substantially (and waste was cut in half), so we adopted the thermoses in all our restaurants.

In short, honoring the guarantee has led to new training procedures, recipe and menu changes, restaurant redesign, equipment purchases, and whatever else it takes to put things right and keep them right.

This kind of problem solving is popular with employees. Since the object of change is always the company, employees don't get blamed for problems beyond their control.

As you find and correct the ultimate causes of your system failures, you can reasonably expect your profits to improve. But you can begin to tell if you're succeeding even before you see it on the bottom line. Remember, costs will go up before they come down, so high system-failure costs and low phone-survey complaint rates probably mean you're on the right track. Conversely, low system-failure costs and a high rate of "lousies" and "OKs" from customers almost certainly indicate that the promise is not being kept, that your expensive system failures are not getting corrected and that your organization has yet to understand that customer satisfaction is the fundamental reason for your company's existence.

Our own system-failure costs rose to a high of $40,000 a month two years ago and then fell to $10,000 a month. Meanwhile, sales rose 25 percent.

Implementing the strategy

Here are my suggestions for formulating your own ultimate strategy.

1. Make the guarantee simple and easy to understand. For the sake of impact, try to develop a guarantee that's memorable, maybe one that reduces to an acronym. Whatever you do, make it significant, simple and unconditional.

Once you settle on a guarantee, commit to it for the long term. Continual change confuses the public and the organization. Plan to stick with a promise for at least five years.

2. Make sure employees know how to use their authority. For most employees, full power and responsibility to put things right will be a new experience. So it's up to you to make sure they don't underuse their power. In our training programs, we advise new employees to take action before the guest has to ask for a remedy. We don't want to make customers decide whether they're entitled to get something free—most people find that embarrassing. The server should find the solution and present it to the guest as a done deal: "I'm sorry your drink wasn't prepared the way you like it. Of course, there will be no charge for that. And please accept these chowders on the house, with my apologies."

3. Insist that the customer is always right, even when the customer is wrong. Let's say a guest insists that all clam chowder has potatoes. He's wrong, but that's no excuse to make him look stupid. When we say, "The guest is never wrong," we mean a server should never question a guest's judgment and perception. Don't stand and argue about whether a steak is medium-rare or medium. Take it away and get one broiled the way the customer wants it.

4. Reward employees. Good thinking and positive action deserve money, praise, the limelight, advancement and all the other encouragements a company can muster.

We spark employee thought and action by dividing a bonus among the employees of each restaurant and throwing a party once its system-failure costs and phone-audit complaint rates drop to 25 percent of their all-time highs. Every month, we pay hundreds of dollars in awards to employees who have helped to find and cure ultimate causes of system failures. In effect, we commission everyone to improve the organization.

5. Make progress visible. Stay away from written progress reports—graphs communicate better. We display our WAGS graphics throughout the company for everyone to see.

One word of caution

You will never completely perfect your company's system. As long as you offer an absolute guarantee on your products and services, you will incur system-failure costs. There is always more work to do, and a CEO's personal commitment and persistence are often necessary to get it done. But nothing can be done without motivated employees.

Many companies have tried so many different programs and gimmicks that employees have become cynical and indifferent. The people who work for us know we take our guarantee seriously—and that we expect them to do the same. We use the same ultimate strategy to satisfy both our customers and employees. ❑

Four phases of system failure

Start: Employees are wary of using their new power and authority. Phone-audit complaint rates are high and system-failure costs are low.

Underway: Employees begin to believe in the organization's commitment to the guarantee. Phone-audit complaint rates are still high; system-failure costs start to rise.

Mid-point: Employees accept and act on the company promise. System-failure costs remain high. Phone-audit complaint rates start dropping as the company starts satisfying customers.

Success: The company has achieved elemental change and raised itself to a higher level of merit. System-failure costs and phone-audit complaint rates are both low.

In general, there is a roller-coaster effect that tells you when the strategy is working. Costs go up. Complaints go down. Sales go up. Costs go down. Profits go up.

Decisions about operational alternatives are often incorrectly made when managers include irrelevant information from their financial accounting reports.

MANAGEMENT BY RELEVANCE

HOW TO USE ACCOUNTING REPORTS TO MAKE SMART MANAGEMENT DECISIONS

by John C. Shull

Accounting reports are frequently used by operation managers as performance measures and analytical tools. However, most accounting reports include more information than a manager needs in making day-to-day operational decisions. For example, single measures in accounting reports, such as "profit as a percentage of sales," "net income" or "return on investment," are likely to be inappropriate or misleading when used in most decisions.

Differential or relevant analysis—the process of estimating the consequences of alternative actions—is a much more useful approach, because it uses only revenues and costs that will change with respect to the options being considered, such as making versus buying a product, expanding or contracting a menu and venturing into or refraining from new business opportunities.

For example, when deciding whether or not to hire one additional cashier, the relevant numbers are the incremental increase in cashier wages and benefits paid, coupled with quantified estimates of savings, such as moving guests out of a congested lobby more fluidly and turning over tables more often. A nonrelevant cost that would not be included in the analysis would be the depreciation of equipment, since that cost will not change when one more cashier is hired.

Full-cost fallacy

Decisionmakers using full costs (variable, fixed and semi-variable—see sidebar on page 20 for definitions) often overestimate their costs and reject special orders because they appear to be unprofitable. However, not all costs are relevant. Decisionmakers may also unwisely buy products made by an outside supplier instead of making their own because they incorrectly believe that their cost to produce is higher than the supplier's price.

Figure 1 **Making vs. buying tossed salad**

100 bags of tossed salad		**Per bag**	**Total**
External source price		$3.25	$325
Subtract: Incremental cost to you		-$2.35	-$235
☐ Your ingredient cost	($2.10)		
☐ Extra kitchen labor that would be incurred	($0.25)		
Additional cost per unit by buying on outside		+$0.90	+$90

John C. Shull is a financial analyst for Bill Knapp's Restaurants in Battle Creek, Michigan, and is a member of the Financial Executives Study Group of the National Restaurant Association.

Example #1: If you are considering buying tossed salad fully prepared from an outside vendor, you would compare the vendor's price to your relevant costs to produce the same product. These costs would be the ingredient costs and any additional kitchen labor.

Assume that fully prepared tossed salad can be purchased from a supplier for $3.25 per bag. Assume that to make the product in-house would cost $2.10 per bag for ingredients and packaging, and five additional hours of labor per week at $5 per hour, including benefits (Figure 1).

This should serve as a starting point for the decision. Other intangible expenses or savings, such as available time to perform other tasks or capacity requirements, should be subjectively weighted and assigned a value.

Be careful not to arbitrarily weight an issue too heavily that may only appear to be meaningful. In this example, you may be concerned about loss of quality control by buying the salad from a supplier; but after inspecting the vendor's facility, you may realize that the vendor has higher and more consistent standards than you can enforce in your own kitchen.

Example #2: Suppose a neighboring business wants to place a special order for 50 luncheon platters and offers $3.75 per platter or $187.50 for the job. You determine that you can prepare the platters in the slow part of the day when your staff is not busy and that no special ingredients or equipment are needed. If you normally price a similar platter at $5.50, and you have a total cost of $4.00, including food, labor and allocated overhead, you may be reluctant to accept the offer. In fact, your assistant manager says, "We can't accept this offer, since it's below our cost. We'll lose money on this job!" However, accepting this offer could be profitable, as the illustration of differential analysis in Figure 2 shows.

By accepting the offer, you would make more per platter than you normally do. Labor cost is excluded from the analysis because you are already paying the staff to be in the kitchen; thus, no incremental labor is needed. The overhead allocated to the platter distorts the cost of making the special order.

Figure 2 **Considering a special order**

Offered price per platter		$3.75
Incremental cost to you		($2.00)
Food cost	($1.65)	
Packaging cost	($0.35)	
Profit per platter by accepting offer		+ $1.75

Example #3: If you decide to close a store that you feel is unprofitable, you must look only at the costs and revenues that are relevant. Assume that one store fewer will not result in any decrease in administrative overhead that is allocated to stores. Figure 3 shows the relevant information and the analysis process.

To say that this store is unprofitable by $25,000 is a correct accounting statement. But to also say that closing that store will allow the company to avoid a $25,000 loss is, as shown in Figure 3, incorrect. Further analysis of this decision would involve any one-time charges, such as asset write-offs, lease cancellations, severance pay or relocation of management.

Subjective, less-tangible costs need to be considered here. Items such as geographic area, strategic focus, staffing and morale concerns should be evaluated and quantified if significant.

Figure 3 **XYZ Company differential analysis worksheet (in 000s)**

	Store X	All others	Company total	Company total post close	Net Change
Sales	1,000	25,000	26,000	25,000	(1,000)
Operating expense	800	18,750	19,550	18,750	(800)
Operating income	200	6,250	6,450	6,250	(200)
Other expense	125	3,125	3,250	3,125	(125)
Income before overhead	75	3,125	3,200	3,125	(75)
Allocated overhead	100	2,500	2,600	2,590	(10)
Net income	(25)	625	600	535	(65)

Quick relevant calculation

Store X net income that will go away:	25
Addback: Costs that won't go away—allocated administrative overhead, such as executive salaries, headquarters depreciation*	(90)
Lost profits by closing store X	(65)

**Note: Allocated administrative costs that will go away include travel, long distance calls, etc.*

Example #4: Conversely, if you are contemplating opening up a new store and are evaluating a pro forma statement, only relevant revenues and costs should be considered in the assessment. If administrative overhead will not increase with the new store, then the store's operating earnings are incremental.

Overhead should not enter into the decision, since any overhead allocated to the new store will come directly from other stores—thus improving their individual net incomes. The relevant information is the incremental operating profit that the new store will provide.

While it is true that in the long term every store's profit needs to more than cover administrative overhead to make the parent profitable, a new store does not need to cover its share of administrative overhead to be profitable. This is not intended to encourage short-term thinking, merely to clarify and expose the misuse of nonrelevant information in decisionmaking.

Allocated overhead is a case in point. By virtue of the word "allocated," there is an admission that the amount charged is only an approximation. Operation managers often mistakenly believe the number is an exact calculation of how much overhead they consume. Strategic managers may also view this as a variable number—close the unit and the cost will go away. It is, in fact, an arbitrary number where common administrative costs are allocated on the basis of (usually) very simplistic assumptions.

Many companies do not even allocate overhead to individual units. If overhead is allocated, the decision-maker should be aware of how it was calculated. There are many ways overhead can be allocated, such as divided equally among all stores or as a flat percentage-of-sales charge for each store. Each method can result in a different "bottom line" for a particular store.

In the XYZ Company example in Figure 3, assume that a different method of allocating overhead resulted in net loss of $50,000 instead of $25,000 for Store X (overhead shifted from the "all others" column). It may have appeared that the store was even more unprofitable; however, the net effect on the corporation would have been the same. As shown in the example, the allocation method is not important, since any decision must consider only the portions of overhead that will change because of the decision. Obviously, placing too much weight on the net income number after an allocation of overhead can be very misleading.

No report provides all the answers

There is no way to create a financial report that will provide the answer to every possible course of action and to every person. Some costs that are not relevant within a given range of volume may become relevant if that ceiling or range is surpassed.

For that reason, proper analysis of alternatives only starts with the financial reports. The most effective way to analyze alternatives is to examine what will change if one direction is chosen over the other.

This procedure may only confirm what your intuition already told you, or it may bring to the surface some issues you had not considered. Whatever the outcome, it is a logical and rational way to make decisions. ❑

Understanding costs

A full-product cost includes all costs related to making the product, specifically variable costs, semi-variable costs, semi-fixed costs and fixed costs.

Variable expense changes in direct proportion to the volume of guests or units sold. Very few costs are purely variable. *A semi-variable expense* is variable over some minimum base level of activity. An example of a semi-variable cost would be the cost of labor, since some staff must be present, regardless of anticipated volume.

A fixed expense does not change as volume of guests or number of meals served changes. As with variable expenses, few costs are purely fixed over all levels of volume. *Semi-fixed expenses* occur in plateaus where the costs are fixed for a given range of volume but must be increased when that range is exceeded (Figure 4).

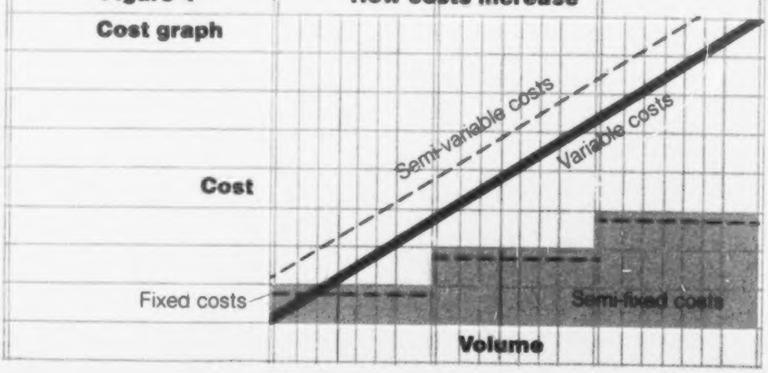
An additional term that you should be aware of when applying differential analysis is *sunk cost*. A sunk cost is a cost that has already been incurred and is not a differential when it comes to holding versus selling merchandise. An example might be baked products near their expiration date. Because the money has already been spent for ingredients and labor, these costs are sunk or not retrievable. The decision whether to discount unsold baked products below cost (i.e., for sale to employees) should only consider the greatest amount of revenue that can be recovered. The costs of the goods is irrelevant, since the ingredients have already been paid for and no future decision can affect that.

If you believe that you will lose money selling the goods below cost and do not mark them down, then you will probably not sell many of the goods, and your revenue will be minimal. If you discount the price (perhaps below your total cost), you will most likely receive some revenue. The amount of the discount will depend on how much product has to be disposed of and how long you have to dispose of it. The goal is to maximize the amount of revenue with no regard to the sunk costs.

Figure 4

How costs increase

Cost graph



AT THE 1990 SHOW

From beginning to end, the Annual National Restaurant Association Show is the best that the foodservice industry has to offer. Here's a preview of the menu for the 71st National Restaurant Association Restaurant, Hotel-Motel Show.

GRAND OPENING OF LOBBY LEVEL AT McCORMICK PLACE NORTH

They said it couldn't get bigger or better, but once again the Show will break new ground this year. With the May 1990 premiere of the lobby level of the McCormick Place North Exhibit Hall, the National Restaurant Association Restaurant, Hotel-Motel Show will gain additional floor space for hundreds of exhibits and countless new products and services.

Special festivities each day of the Show will commemorate this newest exhibit hall and will include contests and prizes.

Among the exhibition highlights will be:

☐ *A "must see" seafood center, for industry members who specialize in fish or seafood.* Suppliers of fish and seafood will display their products from both coasts and around the country. Come see the variety of seafood available in the United States—crab, shrimp, lobster and species peculiar to certain regions. The Seafood Center is endorsed by the National Fish and Seafood Promotion Council.

☐ *A 10,000-square-foot wineries section, showcasing scores of domestic and international wines,* as well as a wine publisher and companies expert in the design and building of wine cellars.

☐ *The Third Annual Ice Carving Classic, developed in cooperation with the National Ice Carving Association.* Teams of professional ice carvers will participate in this ice-sculpture contest and some of the nation's leading ice carvers will present how-to sessions.

☐ *The Illinois Pavilion, a "Show within a Show" and an important stop for Chicago-area restaurateurs.* Be among the first to see the products and services of companies looking to break into or expand in Chicago.

NATIONAL RESTAURANT ASSOCIATION **1990**

YOUR KEY TO THE SHOW

It may look like just another credit card, but don't be fooled—this is your key to the Show. In a departure from past practices, membership cards will no longer suffice to attend this year's Show. Although members will still be admitted to the Show at no charge, they will have to register for admission in advance and then produce this card for entry.

More than 100,000 foodservice professionals from all corners of the hospitality field flock to the annual National Restaurant Association Show to renew themselves and their operations. They come to discover new products and services among the many, many exhibit aisles; to soak up new ideas and management practices; and to brainstorm with their peers from other parts of the country and around the world about new trends, challenges and solutions cropping up elsewhere.

☐ New Show admission card
☐ New exhibit hall
☐ First cake competition
☐ Final tryouts for 1992 U.S. Culinary Team
☐ Third Annual Ice Carving Classic

Plus
☐ Hard Rock Cafe owner Peter Morton
☐ Author Nora Ephron
☐ Columnist Jack Anderson
☐ Entertainer Dinah Shore
and much, much more . . .

SCUPTURES AWAKEN FROM FROZEN SLEEP

It's better than a magic act—master ice carvers awakening crystal sculptures from their frozen sleep at the Ice Carving Classic.

A popular feature of the past two Shows, the classic, cosponsored by the National Ice Carving Association (NICA), will feature world-class carvers from Australia, Canada, Japan, Mexico and Singapore matching muscle and imagination against four U.S. teams. (Each U.S. team comes to the classic as a winner of a regional "classic qualifier.") Sunday through Tuesday, May 20–22, four three-person teams of expert carvers will compete simultaneously, working on stages in a specially designed area of McCormick Place North.

A series of ice-carving demonstrations will be held adjacent to the competition stages. Ice carvers will discuss the fundamentals of ice carving as well as up-and-coming techniques, concepts and designs.

PRESIDENT RUSITZKY OPENS SHOW

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Association president Harris H. "Bud" Rusitzky will set the tone for the 71st National Restaurant Association Restaurant, Hotel-Motel Show with a warm welcome to Show attendees and an insightful look at his year in office. Sharing the spotlight with Rusitzky at the Arie Crown Theater of McCormick Place East on Sunday, May 20, at 2 p.m., will be Jack Anderson.

WATCH CULINARY HISTORY IN THE MAKING

At the prestigious hot-food competition, a panel of blue-ribbon judges will select a total of 25 winners (four chefs and a pastry chef for the national team, and four chefs and a pastry chef for each of four regional teams representing the northeastern, southeastern, central and western areas of the United States).

FINAL TRYOUTS FOR 1992 CULINARY TEAM USA

Come and watch culinary history in the making at the prestigious hot-food competition, the last and most difficult part of the selection process for membership on the 1992 Culinary Team USA. This corps of expert chefs will carry the standard for American foodservice against chefs from 30 other nations at the International Culinary Competition or "culinary olympics" in Frankfurt, Germany, in 1992.

It's competition at its finest, and it will all be happening on the upper level of McCormick Place North, Saturday through Tuesday, May 19 through May 22.

Each day will feature chefs from a different region of the country. Each of these regional finalists will receive a mystery box of ingredients and be given 30 minutes to plan 20 portions of at least a four-course meal (or 20 portions of three desserts for pastry chefs) and then five hours to execute the task.

Work will be evaluated for presentation, taste and product utilization. Contestants will be judged on a 40-point system of international guidelines adopted by the World Association of Cooks Society.

The 1992 Culinary Team USA is presided over by the National Restaurant Association/American Culinary Federation (ACF) U.S. Culinary Team Foundation. Sponsors are Kraft Foodservice, L.J. Minor Corp., Robert Mondavi Winery, Procter & Gamble Co., Tyson Foods, Inc., and Uncle Ben's Rice.

"THE MAIN COURSE" 10-K RACE: A DECADE OLD AND STILL RUNNING

It's 10 years old and still gaining speed—"The Main Course" 10-K Race. The Main Course is the most popular off-the-floor sporting event at the Show and the largest 10-K race in the city of Chicago. More than 3,000 runners are expected to converge on the Grant Park starting point on Sunday, May 20, at 8 a.m.

"The Main Course" is open to attendees, exhibitors and the public. In addition to male and female age-group categories for individual contestants, there is a category for teams (a minimum of five runners, with at least one female and one master over 40 years of age), an open class for Chicago-area runners, a Show exhibitor/attendee class, and a corporate class. Awards will be given to the first-place male and female finishers and to the top three men and women in individual categories. First, second and third-place teams will receive plaques. All runners will be judged in accordance with the cross-country scoring method.

The fee to participate in "The Main Course" is $8.95. For race applications, contact National Restaurant Association Convention headquarters, 150 N. Michigan Ave., Suite 2000, Chicago, IL 60601; (312) 853-2525.

Major sponsors for "The Main Course" 10-K Race are Coca-Cola USA, Miller Brewing Co. (Miller Lite), Pepsi-Cola, Co., and Tyson Foods, Inc. Supporting sponsors are Anheuser-Busch, Inc. (Bud Light), Dole Fresh Fruit, Eli's Chicago's Finest Inc., General Foods Foodservice Division, Lender's Bagels, Minute Maid Food Service Group, Veryfine Products, Inc., and Vie de France Corp.

CAKE COMPETITION AT CULINARY ARTS SALON

Bakers take note: The 20th Annual Culinary Arts Salon at this year's Show will feature a special anniversary cake competition.

This special anniversary cake competition will allow chefs—for the first time—to enter as little as one piece in the Culinary Arts Salon.

Contestants can enter the anniversary cake competition in one of four categories: out-of-town, professional; out-of-town, student/apprentice; Best-of-Chicago, professional; and Best-of-Chicago, student/apprentice.

Special rules govern the cake competition. The cake must commemorate the 20th anniversary of the Salon, the base must be 30 inches by 30 inches or less, and the icing must be edible. A "most original" award and first, second and third-place winners will be cited for each category.

PRIZES FOR MAIN COURSE PARTICIPANTS

Runners who cross the finish line are eligible for the "You-Don't-Have-to-Win-to-Win" array of prizes. The random drawings include round-trip airfare and hotel accommodations for two on United Airlines to anywhere in the United States (including Alaska and Hawaii), plus dinner and weekend packages at top Chicagoland restaurants and hotels. All race participants receive colorful "Main Course" T-shirts and running gear contributed by the race sponsors.

DELIGHT YOUR EYES AND IMAGINATION

CULINARY ARTS SALON

Always a delightful sight for even the trained foodservice professional's eye, the Culinary Arts Salon again offers Show attendees a look at the state-of-the-art trends in food preparation. See row on row of intricately arranged cold-food presentations, whimsical pastry creations and lifelike culinary figurines.

It's an aesthetic experience not to be missed, Saturday through Tuesday, May 19–22. And it's set off to perfection in McCormick Place East's Chicago Room, with its spectacular view of Lake Michigan and the city's skyline.

1990

SHOW SCHEDULE

SATURDAY, MAY 19

9:00 a.m.
Registration and check-in for the pre-Show seminars, presented by the Educational Foundation of the National Restaurant Association; McCormick Place North, lower level

9:30 a.m.–3:30 p.m.
1992 Culinary Team USA tryouts, McCormick Place North, main level, first of four days; continues on May 20, 21 and 22

9:30 a.m.–5:30 p.m.
☐ Dealer/supplier press preview of exposition, McCormick Place
☐ 20th Annual Culinary Arts Salon, McCormick Place East, Chicago Room, first of four days; continues on May 20, 21 and 22

10:00 a.m.–5:30 p.m.
Full-day pre-Show seminars
☐ Applied Foodservice Sanitation Certification Workshop (two-day seminar runs from 10:00 a.m.–6:30 p.m. and continues on Sunday, May 20)
☐ Dining-Room Management
☐ Food-Cost Management
☐ Franchising for Growth
☐ Healthy Profits through Nutrition
☐ Perfecting Your Culinary Skills
☐ Profitability
☐ Successful Buffet Management
☐ Takeout Delivers Profits

10:00 a.m.–1:30 p.m.
Half-day pre-Show seminars
☐ Kitchen Management
☐ Promoting Your Restaurant

11:30 a.m.
34th Annual Hennessy Awards Luncheon, Hyatt Regency Chicago *(ticketed event)*

2:00–5:30 p.m.
Half-day pre-Show seminars
☐ Customer Service
☐ The Labor Issue: Hiring, Training and Retaining

6:30 p.m.
The Grand Banquet and Show/Congressional Leadership Forum Gala, Hyatt Regency Chicago, in honor of the National Restaurant Association's new chairman of the board and president. With singer and TV hostess Dinah Shore and the 25-piece Dick Judson Orchestra *(ticketed event)*

SUNDAY, MAY 20

8:00 a.m.
The start of "The Main Course" 10-K race, Grant Park

9:00 a.m.
Registration and check-in for the pre-Show seminars, presented by the Educational Foundation of the National Restaurant Association, McCormick Place North, lower level

10:00 a.m.–5:30 p.m.
Full-day pre-Show seminars
☐ Applied Foodservice Sanitation Certification Workshop (one-day program)
☐ Banquet Management
☐ Food-Cost Management
☐ Kitchen Management
☐ Profitability

10:00 a.m.–1:30 p.m.
Half-day pre-Show seminars
☐ Dining-Room Management
☐ Franchising for Growth
☐ Healthy Profits through Nutrition
☐ Promoting Your Restaurant
☐ Takeout Delivers Profits

10:30 a.m.–6:00 p.m.
Exposition opens, McCormick Place

10:30 a.m.
Award ceremonies for the 20th Annual Culinary Arts Salon, McCormick Place East, Jane Addams Room

10:30 a.m.–3:30 p.m.
1992 Culinary Team USA tryouts, McCormick Place North, main level, second of four days; continues on May 21 and 22

10:30 a.m.–6:00 p.m.
☐ Third Annual Ice Carving Classic, McCormick Place North, lobby level, first of three days; continues on May 21 and 22
☐ 20th Annual Culinary Arts Salon, McCormick Place East, Chicago Room, second of four days; continues on May 21 and 22

11:00 a.m.
"Ice ribbon" cutting ceremonies for the Third Annual Ice Carving Classic, McCormick Place North, lobby level

1:30 p.m.
Special musical warmup for Opening Day Ceremony by The Letterman, Arie Crown Theater, McCormick Place East

2:00 p.m.
Opening Day Ceremony, Arie Crown Theater, McCormick Place East, with a welcoming address by National Restaurant Association Chairman of the Board and President Harris H. "Bud" Rusitzky. He will share the podium with nationally syndicated columnist Jack Anderson

Come to the National Restaurant Association booth

If you want to learn more about the National Restaurant Association, come to the National Restaurant Association booth. The departments represented will include communications, government relations, PAC, human resources, technical services, research and information service, group insurance and the educational foundation.

The booth will offer a wide selection of association publications, manuals, periodicals and training materials for sale, including educational videos and instructional programs.

On Monday and Tuesday, Claire Regan, R.D., will demonstrate the association's nutrient-analysis service. Bring a recipe, and she will analyze it for nutritional content.

All association members who stop by booth 3004 can enter a special drawing for a six-day/five-night vacation for two at Marriott's Grand Hotel, the queen of southern resorts on Alabama's gulf coast. Steeped in 140 years of history, this year-round resort blends the gracious hospitality and scenic beauty of the Old South with conveniences and activities tailored for today, including two 18-hole golf courses. Airfare for this terrific getaway has been provided by Delta Airlines.

Restaurant operators who join the association during the Show will be eligible for a special drawing featuring computer management software donated by ReMACS.

The association's educational foundation will be unveiling two new programs: a comprehensive sanitation program called ServSafe and the Management Development Diploma Program. Members who come by the booth can also register for a promotion, which includes video packages as prizes.

So come to the association booth and learn more about the organization. You may even win a great prize!

9:00 p.m.– 1:00 a.m. Convention Capers, featuring Charlie Rich, the legendary "Silver Fox," and Chicago's own Joel Daly and the Sundowners, Hyatt Regency Chicago

MONDAY, MAY 21

9:00 a.m.– 5:30 p.m. Exposition opens, McCormick Place

9:30 a.m.– 3:30 p.m. 1992 Culinary Team USA tryouts, McCormick Place North, main level, third of four days; continues May 22

9:30 a.m.– 5:30 p.m.
☐ Third Annual Ice Carving Classic, McCormick Place North, lobby level, second of three days; continues May 22
☐ 20th Annual Culinary Arts Salon, McCormick Place East, Chicago Room, third of four days; continues May 22

10:00–11:30 a.m. Theater Series, McCormick Place East
☐ Nora Ephron, author, screenwriter and essayist, Theater 1
☐ The Achievement Challenge, Theater 2
☐ Big Promotions, Theater 3

Management Clinics, McCormick Place East
☐ Foods and Menus
☐ Club Managers' Shop Talk
☐ Group Grabbers

Noon–1:30 p.m. Theater Series, McCormick Place East
☐ The Four Dimensions of a More Productive and Profitable Restaurant, Theater 1
☐ Updating Your Reward System, Theater 2
☐ Putting Women in Their Place . . . in the '90s, Theater 3

Management Clinics, McCormick Place East
☐ Crimes against Customers
☐ Head 'em Up—Keep 'em In

2:00–3:30 p.m. Theater Series, McCormick Place East
☐ Success in the 1990s, Theater 1
☐ Names and Faces, Theater 2

Management Clinics, McCormick Place East
☐ How to Attract, Select and Retain Hospitality Employees in the '90s
☐ Lights, Camera, Service!

9:00 p.m.– 1:00 a.m. Convention Capers, featuring The Turtles with Flo and Eddie, Chicago Marriott

TUESDAY, MAY 22

9:00 a.m.– 4:00 p.m. Salute to Excellence Student Forum—200 outstanding students talk with successful industry professionals, Chicago Hilton & Towers

9:30 a.m.– 5:30 p.m. Exposition opens, McCormick Place

9:30 a.m.– 3:30 p.m. 1992 Culinary Team USA tryouts, McCormick Place North, main level, last day

9:30 a.m.– 5:30 p.m.
☐ Third Annual Ice Carving Classic, McCormick Place North, lobby level, last day
☐ 20th Annual Culinary Arts Salon, McCormick Place East, Chicago Room, last day

10:00–11:30 a.m. Theater Series, McCormick Place East
☐ Customer-Satisfaction Breakthrough, Theater 1
☐ Save the Planet, Theater 2
☐ Fred Pryor—The Energetic Manager, Theater 3

Management Clinics, McCormick Place East
☐ The Spirit of Service
☐ Solving People Problems through Effective Intervention
☐ Business and Industry Shop Talk

Noon–1:30 p.m. Theater Series, McCormick Place East
☐ A Celebration of Abilities, Theater 1
☐ The Abilene Paradox: The Management of Agreement, Theater 2
☐ Fred Pryor—How to Be the D.I.R.E.C.T.O.R. in Your Life, Theater 3

Management Clinics, McCormick Place East
☐ Training for the Hospitality Industry
☐ The Psychology of Color
☐ Restaurant for Sale . . . by Customer Decree

2:00–3:30 p.m. Theater Series, McCormick Place East
☐ Coach Bob Knight, Theater 1
☐ Bar Wars, Theater 3

Management Clinics, McCormick Place East
☐ Good, Better, Best
☐ Threats and Opportunities from the Bottom Looking Up

7:00 p.m. Salute to Excellence Reception and Dinner, Chicago Hilton & Towers *(ticketed event)*

WEDNESDAY, MAY 23

9:30 a.m.– 2:00 p.m. Exposition opens, McCormick Place

10:30 a.m.–Noon Management Clinic, McCormick Place East
☐ How to Make More Money in the '90s

A MORNING WITH NORA EPHRON

If you laughed over her wry treatment of the lovers in the smash-hit movie "When Harry Met Sally," and cried over her autobiographical best-selling novel *Heartburn*, you are sure to cheer her special presentation at the Show. Nora Ephron, author, screenwriter and essayist extraordinaire, will be in action at McCormick Place East on Monday, May 21.

SOMEONE'S IN THE KITCHEN WITH DINAH

A household name for decades, Dinah Shore, of such popular shows as the "Dinah Shore Show," "Dinah's Place" and "Dinah," will be the special guest at the Grand Banquet and Show/CLF Gala.

OPENING DAY GUEST: JACK ANDERSON

Jack Anderson, one of the nation's most widely read and trusted journalists, will be the opening-day special guest speaker. Read by 50 million people every day, this Pulitzer-Prize-winning journalist pens *Washington Merry Go Round*, hosts "American Expose" and "The Outsiders," delivers daily commentary on the UPI radio network and prepares investigative commentary for "Inside Edition."

To see this journalistic legend, come to the Arie Crown Theater on Sunday, May 20, at 2 p.m.

SOMMELIER COURSES AT SHOW

The chairman and secretary of the British Court of Master Sommeliers and three master sommeliers from the United States will be in Chicago during the Show to conduct two courses and examinations; they represent the first two levels leading to the Master Sommelier designation. The *Sommelier Certificate Course and Examination* will be held on Sunday and Monday, May 20–21. The *Advanced Sommelier Certificate Course and Examination* will be held on Tuesday and Wednesday, May 22–23. The cost of the certificate course is $275; the cost of the advanced certificate course is $450. To register, call (312) 853-2525.

THE EDUCATIONAL LINEUP

For many attendees, the Theater Series and Management Clinic programs are as valuable as the time spent on the floor. The Theater Series offers operators and other foodservice professionals an unprecedented opportunity to learn from some of the best minds in the country on topics like motivation, training and success. Management Clinic sessions offer attendees a forum for surveying emerging trends and challenges and provide an opportunity for attendees to learn from their peers.

Here's a preview of the education lineup at the 71st annual National Restaurant Association Restaurant, Hotel-Motel Show:

Theater Series

☐ *Nora Ephron*, author, screenwriter and essayist, dispenses her special brand of wit and wisdom in an exciting morning presentation.

☐ *Names and Faces*. Jerry Lucas, an impressive memory expert, teaches attendees how to tap into the marvelous gift of memory. A former Olympic gold medalist, Lucas has also risen to the top of his new profession—memory education. He is co-author of *The Memory Book*, which spent 50 weeks on the national best-seller list.

☐ *A Celebration of Abilities*. Speaking about the strengths and special talents of individuals with disabilities will be Geri Jewell, known to millions as "Cousin Geri" of the NBC sitcom "The Facts of Life." Jewell, actress, comedienne, lecturer and motivational speaker, is famous for her ability to bridge the worlds of humor and attitudinal change. Show attendees will draw inspiration and insight from her ability to see her cerebral palsy as a strength rather than a weakness.

☐ *Save the Planet*. Peter Morton, the dynamic owner of 12 Hard Rock Cafes in the United States and Australia, will discuss recycling and other environmentally responsible techniques that can be instituted in restaurants nationwide. Morton concentrates on inexpensive, money-saving and socially responsible activities that can help put restaurants in the forefront of accountable business leadership in the '90s.

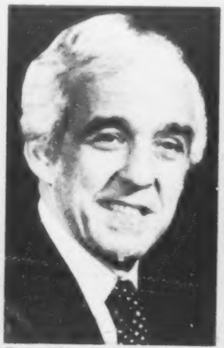
☐ *The Abilene Paradox: The Management of Agreement*. Are we hamstrung by our inability to cope with the fact that we agree with one another? Learn the answer to this and other communication problems from Dr. Jerry B. Harvey, a Ph.D. in social psychology and professor of management science at George Washington University in Washington DC.

☐ *The Achievement Challenge*. This promises to be a riveting presentation by Don Beveridge, one of the country's leading motivational speakers and author of *The Achievement Challenge*. Beveridge is a successful entrepreneur with two businesses, the host of a nationally syndicated radio show for business executives and a former consultant for General Motors, Continental Grain and other Fortune 500 companies.

☐ *The Four Dimensions of a More Productive and Profitable Restaurant*. Dave Yoho, an international consultant to Fortune 500 companies, entrepreneurs and independent and chain restaurants, will discuss his management theory based on EPOD—enthusiasm, persuasion, optimism and discipline.

Jerry Lucas

Geri Jewell



Don Beveridge

Dave Yoho

Peter Morton

Dr. Dru Scott

Fred Pryor

Bob Knight

Yoho is a recipient of the Cavett Award, the Oscar of public speaking.

☐ *Putting Women in Their Place . . . in the '90s.* A definite "must-attend" for career-minded foodservice women, this panel of successful industry executives will discuss how women can progress in the corporate world of foodservice and overcome hidden barriers to advancement. Presenters will include Jackie Trujillo, president-operations, Harman Management (KFC); Betty Brennan Baker, vice president, training and development, Ground Round; and Patricia Harris, director, Changing Workforce, McDonald's Corp.

☐ *Bar Wars.* Brian F. Rea, a 30-year veteran in bar and lounge operations, will discuss ways operators who serve alcoholic beverages can be both profitable and socially responsible.

☐ *Big Promotions.* Hear how some of the industry's most successful operators have fun promoting their operations. Panelists include Bob Morris, proprietor of Morfood 'N Fun, and Stan Clark, owner of Eskimo Joe's in Stillwater, Oklahoma.

☐ *Success in the 1990s.* Learn the key to success for both large and small operations from a man who typifies success, Herman Cain, president and chief executive officer of Godfather's Pizza. Cain engineered the remarkable turnaround of Godfather's in 1986 and led the management team that assumed ownership when the chain was offered for sale. Cain will discuss a new paradigm for the '90s.

☐ *Customer-Satisfaction Breakthrough.* Dr. Dru Scott, psychologist, author, trainer and authority on customer satisfaction, will return to the Show for the third time. Drawing on her pioneering research in consumer satisfaction, Scott will reveal practical techniques for building profits by going beyond the typical "smile more" strategies. Attendees will learn about her dirty-word list, the two biggest impediments to customer satisfaction and the three things that top operators always do.

☐ *Updating Your Reward System.* Are you getting the most for your payroll dollar? If not, don't miss this informative session with Dr. Scott Myers, expert on motivation and organizational teamwork and author of numerous books and articles including the classic, *Every Employee a Manager.* Myers describes 15 reward systems and highlights those best able to motivate individual behavior, inspire teamwork and create a climate that promotes commitment.

☐ *Fred Pryor Times Two.* This special two-part program will be presented by Fred Pryor, who combines his knowledge of the business marketplace with his advanced study in theology, psychology and counseling. The first 90 minutes, based on his book *The Energetic Manager,* will explain how workers, leaders and organizations can access untapped energy. The second segment, "How to Be the D.I.R.E.C.T.O.R. in Your Life," draws on his expertise in the area of leadership. Using the acronym DIRECTOR, Pryor shows attendees how to take charge of their lives.

☐ *Coach Bob Knight.* Who knows more about winning and playing to your full potential than Bob Knight, head basketball coach at Indiana University? In his 25 years of coaching at the collegiate level, Knight has proven himself to be one of the finest basketball coaches in America. The second-youngest coach to win more than 500 games, he has had three national championship teams. His teams won the gold medal in the Pan-American Games in 1979 and at the Olympics in Los Angeles in 1984.

Management Clinics

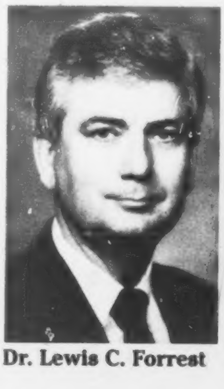
☐ *How to Attract, Select and Retain Hospitality Employees in the '90s.* With 2½ million new industry jobs expected in this decade and 1½ million fewer teens, operators need to think in new ways about the workforce. Jim Moffa presents new ideas for recruiting, selecting and retaining employees in the '90s.

☐ *The Spirit of Service.* Diana Cox-Pratt, a training specialist in the restaurant industry for more than 20 years, will discuss the importance of personal relationships in the workplace. Cox-Pratt will show that by caring for the customer and respecting fellow workers, employees can generate both job satisfaction and profits for their employers.

☐ *How to Make More Money in the '90s.* Ron Plummer, well-known promotion specialist, will suggest ways to woo the new customers of the '90s, including the "over-55" crowd.

☐ *Crimes against Customers.* Hospitality operators have a legal duty to protect customers from injury-causing hazards, but does this extend to criminals from off the street and to patrons who attack other patrons? Robert Alan Palmer, professor at Cal-Poly's Center for Hospitality Management, will discuss evolving legal obligations.

☐ *Training for the Hospitality Industry.* Dr. Lewis C. Forrest, longtime hospitality training designer and author of the book *Training for the Hospitality Industry,* will explain the basics of successful training, and will provide techniques for developing skills and setting communications


Dr. Lewis C. Forrest

Diana Cox-Pratt

standards that get top performance from every employee.

☐ *The Psychology of Color.* Leatrice Eiseman of the Pantone Color Institute will explore the psychological meaning of colors. Attendees will learn how to conceptualize, design and revitalize their restaurant furnishings, tableware and menus.

☐ *Threats and Opportunities from the Bottom Looking Up.* Foodserver-turned-author Mario Ponce—currently a senior in the hospitality management department of the University of Central Florida—brings a fresh and practical approach to the challenges facing the foodservice industry.

☐ *Club Managers' Shop Talk.* A panel of club managers will lead an idea exchange of "what's new and next" in the world of club management. The Club Managers Association of America will grant education points toward certification for managers participating in the clinic.

☐ *Restaurant for Sale . . . by Customer Decree.* Veteran hospitality industry trainer Abe Egert will teach attendees to recognize 10 major danger signs that can cause their businesses to be sold out from under them. A specialized self-evaluating survey will help each participant evaluate his or her own business.

☐ *Lights, Camera, Service!* Jim Sullivan, training director for Premier Ventures in Denver, will discuss and demonstrate cost-effective and results-oriented training videos that operators can produce themselves. He will focus on content and skills training.

☐ *Foods and Menus.* Food is the challenge of the '90s; the menu is the key to profitability. Using case studies and drawing on 25 years of hands-on experience, Phyllis Ann Marshall will demonstrate ways to revitalize a menu.

☐ *Solving People-Problems through Effective Intervention.* Carlo Cetti, director of management and franchise training for Foodmaker, will provide an approach for more effectively dealing with complex problems. Operators will practice on an actual problem and learn to apply this concept to their organizations.

☐ *Good, Better, Best.* Kathryn Ryan, director of training for Bakers Square Restaurants, will show multi-unit operators how to create a unit-evaluation system to distinguish superior operations from merely good ones. Ryan will discuss how to assemble information sources, implement the program and measure results.

☐ *Head 'em Up—Keep 'em In.* Minimum-wage laws, shrinking labor pools and changing values are making it harder to retain qualified hourly employees. Mary Pat Black, director of training and management development for Dallas-based El Chico, will discuss management techniques, programs and activities that motivate employees and keep them on the payroll.

☐ *Group Grabbers.* Paul Stroup, manager of Executive Development at Las Vegas' Harrah's Casinos, will use audience-participation exercises to outline his ideas on getting acquainted, creative problem solving, values identification, guest services, team building and goal setting. Attendees will leave with training notes that enable them to conduct these exercises among their own staffs.

☐ *Business and Industry Shop Talk.* A panel of outstanding operators will explain how they are coping—and will continue to cope—in the competitive environment of the 1990s.

A STELLAR SALUTE TO EXCELLENCE

The Educational Foundation of the National Restaurant Association will host its fourth annual Salute to Excellence Reception and Dinner at the Chicago Hilton & Towers on Tuesday, May 22, at 7 p.m. One thousand industry leaders are expected to turn out for this prestigious invitation-only event, with veteran TV and radio celebrity Art Linkletter as master of ceremonies.

The Annual Salute to Excellence Reception and Dinner pays homage to industry leaders for their contribution to the advancement of professionalism through education. Honored at this year's banquet will be the following six new inductees into the foundation's College of Diplomates: Henry J. Cockerill, former senior vice president and director–national chain accounts, Coca-Cola USA, Atlanta, Georgia; Lt. Gen. John D. McLaughlin, USA (Ret.), president, L.J. Minor International, Solon, Ohio; Morris J.W. Gaebe, chancellor, Johnson and Wales University, Providence, Rhode Island; Ferdinand Metz, president, Culi-

1990 HENNESSY WINNER HONORED AT LUNCHEON

Air Force top brass and foodservice leaders will be on hand to honor the winners of the 1990 Air Force Hennessy Awards at the 34th Annual Hennessy Awards Luncheon at the Hyatt Regency Chicago, Saturday, May 19, at 11:30 a.m.

Keynote speaker at the luncheon will be Lieutenant General Henry Viccellio, Jr., deputy chief of staff of logistics and engineering, USAF.

Tickets for the Hennessy Awards Luncheon are $40 and may be purchased through Mary Garnett, National Restaurant Association, 1200 Seventeenth St., N.W., Washington DC 20036; (202) 331-5966.

FORUM TO HONOR LEADERS

In keeping with its commitment to further excellence in foodservice, the Educational Foundation of the National Restaurant Association will honor the leaders of tomorrow during a day-long student forum at the Chicago Hilton & Towers on Tuesday, May 22, from 9 a.m. to 4 p.m.

Attending the forum will be 200 culinary and HR&I students, chosen by deans and directors as the best in their programs.

N L. HENNESSY
AWARD

F TOMORROW

Leading the forum will be such industry leaders as Herman Cain, president and chief executive officer of Godfather's Pizza, the featured luncheon speaker; and recently inducted members of the College of Diplomates. Lively panel discussions will expose students to current industry issues and challenges, and question-and-answer periods will provide an opportunity for frank discussion between the generations.

nary Institute of America, Hyde Park, New York; Joseph H. Baum, president, Joseph Baum and Michael Whiteman Co., New York, New York; and John W. Teets, chairman, president and chief executive officer, The Greyhound Corporation, Phoenix, Arizona.

The climax of the evening's festivities will be the naming of the winner of the Thad A. Eure, Jr., Ambassador of Hospitality Award, presented annually to a member of the College of Diplomates.

Also announced at the Salute to Excellence Reception and Dinner will be the newly selected members of the 1992 Culinary Team USA and the winners of the Third Annual Ice Carving Classic.

CHARLIE RICH AND THE TURTLES AT THE CAPERS

What better way to relieve the stress of floor activity, get to know other attendees and exhibitors and have a free evening of entertainment and fun than to participate in the "Convention Capers," Sunday and Monday evenings, May 20 and 21?

☐ On Sunday, May 20, from 9 p.m. to 1 a.m. at the Hyatt Regency Chicago, attendees will be delighted by the special sounds of country legend Charlie Rich, best known for mega-hits "Behind Closed Doors" and "The Most Beautiful Girl." A gifted keyboard artist equally compelling in country, blues and jazz selections, Rich is one of only two artists to win the four major Country Music Award solo-singing honors: Entertainer, Single, Album and Male Vocalist of the Year.

Joining Rich on the program are Chicago favorites Joel Daly and the Sundowners. In addition to his musical talents, Daly is one of Chicago's most popular news anchors—and recently found time to complete law school and gain admission to the Illinois Bar.

☐ On Monday, May 21, from 9 p.m. to 1 a.m. at the Chicago Marriott, The Turtles will headline the evening's entertainment. The popular group is best known for its recordings, "Elenore," "She'd Rather Be with Me," "You Showed Me" and the legendary "Happy Together." Of course, The Turtles wouldn't be The Turtles without the "renaissance men of rock," Flo and Eddie, otherwise known as Mark Volman and Howard Kaylan.

DINAH SHORE AT GRAND GALA

The foodservice industry will be in full court to honor the new president of the National Restaurant Association—Michael Hurst of 15th Street Fisheries in Ft. Lauderdale, Florida—at the Grand Banquet and Show/Congressional Leadership Forum (CLF) Gala at the Hyatt Regency Chicago on Saturday, May 19, at 6:30 p.m.

Spinning the evening's special magic will be gifted singer and TV hostess Dinah Shore, whose name has become synonymous with celebrity style and hospitality.

Shore's talents have garnered numerous awards and accolades, including nine gold records, 10 Emmy awards, the coveted Peabody Award and Woman of the Year.

Accompanying this popular lady of song will be the 25-piece Dick Judson Orchestra. In addition to the dazzling evening of entertainment, the Grand Banquet will feature a gourmet dinner and dancing. Tickets are $100 a person. For more information and reservations, call National Restaurant Association convention headquarters at (312) 853-2525.

PRE-SHOW SEMINARS—A SHOW BONUS FOR OPERATORS

An added but separate attraction at the Show will be the pre-Show seminars sponsored by the Educational Foundation of the National Restaurant Association. The foundation, with a renewed focus on the professional development of foodservice managers, will present seminars on the lower level of McCormick Place North on Saturday, May 19, and Sunday, May 20, in both half and full-day formats.

Seminar registration is a separate charge that is not included in the general-admission cost to the Show. All seminar registrations include course materials and a certificate of completion. Full-day seminar attendees will receive lunch. Registration fees for pre-Show seminars vary, with full-day courses for a single registrant running between $140 and $175 and half-day courses costing between $70 and $80. The one-day Applied Foodservice Sanitation Certification Course is $140 and the two-day course is $175. Discount rates for two or more registrants are available for all courses. For more information, contact The Educational Foundation of the National Restaurant Association, Customer Service Department, 250 S. Wacker Dr., Suite 1400, Chicago, IL 60606, 1-800-522-7578 or (312) 715-1010.

The 1990 pre-Show seminar lineup includes:

☐ *Applied Foodservice Sanitation Certification Workshop*. This course will cover vital sanitation basics. Those passing the certification exam will receive a certificate of completion. (Certification requirements vary by jurisdiction. The foundation offers both a one-day and a two-day program at the Show.) *Instructors:* educational foundation staff

☐ *Banquet Management*. Attendees will learn the keys for creating and maintaining a successful and profitable banquet program. *Instructor:* Bob Neville, certified catering executive

☐ *Successful Buffet Management*. This course will cover the basics of successful buffet service, with special emphasis on creative menus, decor, preparation and presentation, cost control and staff motivation. *Instructor:* Ron Yudd, U.S. Senate Restaurants

☐ *Customer Service*. Attendees will look at the relationship between service and communication, including how to handle complaints and treat special customers. *Instructor:* Johnson and Wales University staff

☐ *Dining-Room Management*. This is an important course for staff involved in "front-of-the-house" operations and problem solving. Customer relations, employee motivation and alcohol-awareness programs will be some of the many topics covered. *Instructor:* Ned Carloni, the educational foundation

☐ *Food-Cost Management*. This course teaches food-cost control through a proven system that controls costs by tracking actual food use. Attendees will go home with the forms and management tools needed to implement this cost-control program into a new or existing operation. *Instructor:* Bill Schwartz, Systems Concepts Inc.

☐ *Franchising for Growth*. This seminar will examine the tremendous growth potential of franchising and will identify the prerequisites for successfully franchising a foodservice operation. *Instructor:* Don Boroian, Francorp, Inc.

☐ *Kitchen Management*. Attendees will learn methods for running a better, more efficient operation in this course, plus how to "streamline" purchasing and receiving, reduce food costs and improve quality. *Instructor:* Jeff Harrison, the educational foundation

☐ *The Labor Issue: Hiring, Training and Retaining*. This course presents ways to beat the labor crunch by creating an active recruitment plan, establishing a high-quality training program and successfully retaining employees. *Instructor:* Jeff Harrison, the educational foundation

☐ *Healthy Profits through Nutrition*. Here is a chance to learn nutrition basics from a foodservice operator's perspective. Topics covered will include how to modify a current menu to make it more nutritious, how to create new nutritious selections and how to use nutrition as an effective promotional tool. *Instructor:* Claire Regan, R.D., National Restaurant Association

☐ *Perfecting Your Culinary Skills*. This course teaches the basics of high-quality food preparation—from fundamental techniques to "tricks of the trade." Cost control and efficiency are emphasized throughout. *Instructor:* Culinary Institute of America staff

☐ *Profitability*. In this course, which is a blueprint for improving profits at the unit level, attendees will learn a variety of practical and innovative operating systems, management techniques and cost-control tips that can be implemented in any full-service operation. *Instructor:* Bill Main, The Shore Bird Restaurant

☐ *Promoting Your Restaurant*. This seminar will teach attendees how to create an effective promotional plan, based on a strong community-marketing campaign. Topics covered include direct mail, promotions, publicity and tapping into local resources. *Instructor:* Bill Gillespie, The Shore Bird Restaurant

☐ *Takeout Delivers Profits*. This practical program will help attendees penetrate the growing carryout market, It will examine takeout-market potential and discuss ways to design a takeout menu and prepare effective packaging and labeling. *Instructor:* Terri Woodard-Polster, professional catering consultant ❑

INTRODUCING SERVSAFE

Customer interest in food safety is high, and that is why the Educational Foundation of the National Restaurant Association is launching ServSafe, a new national food safety certification program. Created to help operators train managers and employees in food safety practices, the program is an outgrowth of the "Applied Foodservice Sanitation" course, which has been successfully completed by 220,000 foodservice operators across the country.

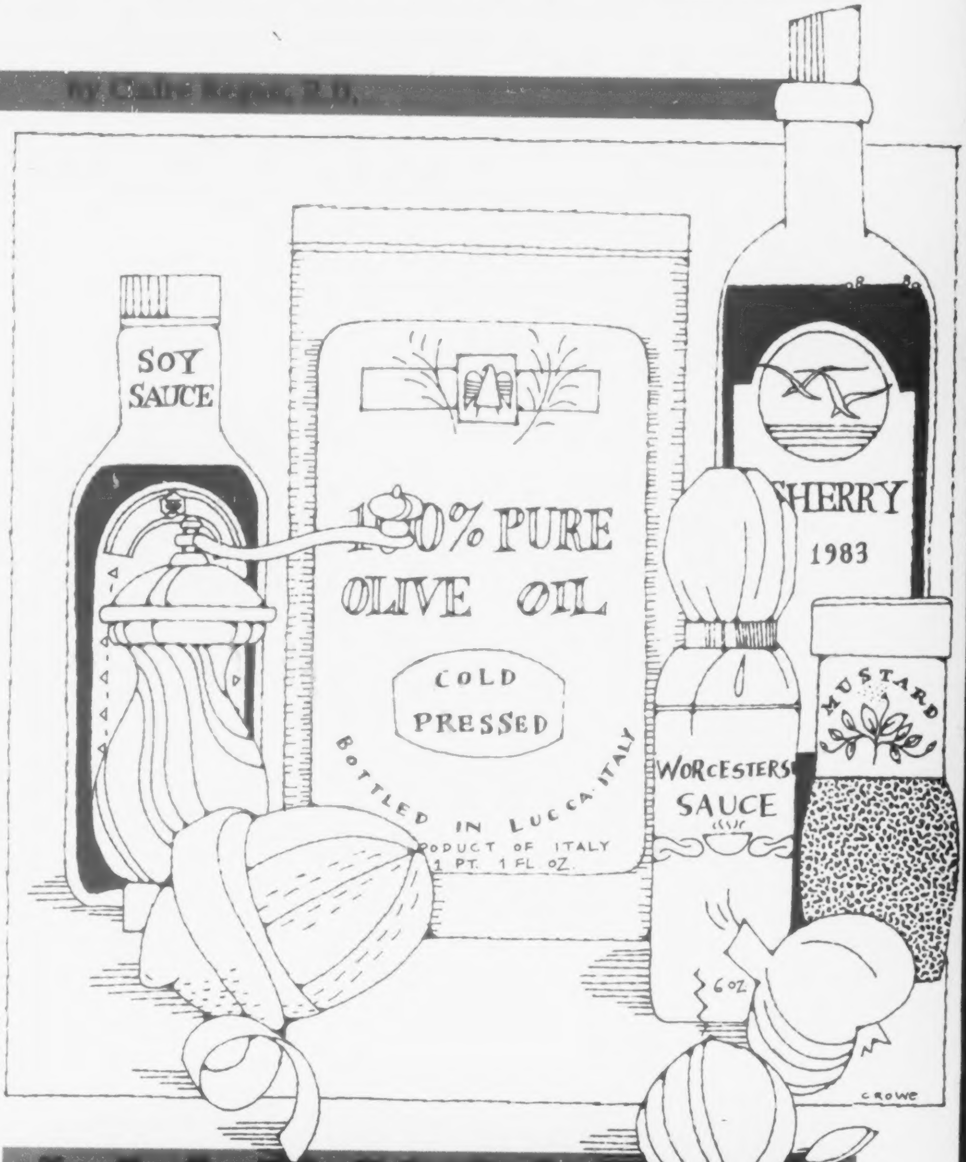
ServSafe follows up on a recent National Restaurant Association resolution, which urges operators to voluntarily train foodservice managers in food safety to reassure the public that high standards are maintained in food handling. More than 100 foodservice companies and several hundred schools, health departments, and professional associations use the foundation's food safety program. The program is also available as an in-house seminar to train managers or corporate trainers. ServSafe is being launched at the Show.

Advocates of the marinating process say most chefs do not take advantage of this culinary technique that can tenderize meats and add flavor and color.

MARINADES

DESERVE A SECOND LOOK

by Claire Regan, R.D.



Trish Crowe

"Marination is a curiously underutilized method of flavoring food," says Noel Cullen, dean of practicum education at Johnson and Wales University in Providence, Rhode Island. He speculates that the reason why is that chefs don't want to take the time and that many others do not understand the technique, which requires a delicate balancing of flavors.

Marinades infuse flavor

Yet marinating is deeply rooted in culinary history and is an integral component of culinary art. Originally used to preserve food and tone down the strong flavors of wild game, today chefs use marinades primarily to enhance the flavor of foods and to tenderize tough cuts of meat and even fish.

Marinades also add color to foods. "Red wine gives foods like pears and potatoes a beautiful red color. A saffron marinade adds color to white fish and mussels, and a raspberry vinaigrette brightens the quail breast in a warm salad," Cullen offers.

Bill Donnelly, executive chef of Chez Melange (Redondo Beach, California) extols the use of marinades to give foods a distinctive ethnic flair. "Using the herbs and spices of a given region in a marinade will give an ethnic flavor to a dish without having to rely on a sauce. Curry and cardamom evoke the flavors of India; Szechuan peppercorn, and lemon and lime rind, are reminiscent of the Orient; and oregano, basil, red wine and olive oil are distinctively Italian." Donnelly's Southwestern-style fish, for example, is sea bass, swordfish or another firm-fleshed fish marinated in tequila, cilantro and lime juice and then grilled.

At Baby Nova, a New-Wave Italian restaurant in Winter Park, Florida, arugula vinaigrette gives grilled eggplant a less common yet distinctly Italian accent. Sous chef David Kulwicki purees arugula and blends it with shallots, garlic, white pepper, red-wine vinegar and olive oil. Then he marinates it briefly and grills it. The grilled eggplant is served as an appetizer with fontina cheese, arugula and sun-dried tomatoes. Joyce Goldstein of Square One in San Francisco marinates white fish in a Moroccan charmoula, a mixture of paprika, cayenne, cumin, garlic, lemon juice, parsley, cilantro and olive oil. With the addition of vinegar and a little more oil, Goldstein uses the charmoula as a vinaigrette on grilled tuna and grilled vegetables. It is also good on cooked sliced chicken breast and combined with peppers and onions to make a Moroccan chicken salad.

Claire Regan is manager/staff nutritionist at the National Restaurant Association.

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Serves 4

Ingredients:
4 red snapper or rockfish filets (6 ozs. each)
2 stems lemon grass
¼ cup chopped fresh basil
¼ cup olive oil
¼ tspn. crushed red pepper
¼ tspn. pepper
Basil sprigs for garnish

Method:
Measure fish at its thickest part to determine approximate cooking time—10 min. per inch—and place in a glass dish. Peel off tough outer layers of lemon grass; thinly slice the tender, pale yellow portion to yield ¼ cup. Place in food processor and finely chop. Add basil and chop. Add oil slowly. Stir in red pepper and pepper. Spread over fish, coating all sides. Refrigerate until ready to use.

Place fish on hot, well-oiled grill, 4 to 5 inches above hot coals. Grill about 3 minutes per side or just until fish begins to flake when tested with a fork. Garnish with basil sprigs.

—National Fisheries Institute

[illegible]

Serves 4

Ingredients:
4 Bartlett pears
2 cups red wine
1 cup water
1 oz. sugar

Method:
Peel or score pears in a decorative pattern. Mix together water, wine and sugar in a saucepan. Place pears in this marinade and heat to a boil. Remove from heat and set to marinade in refrigerator overnight. Serve whole pears with a creme brulee or soft custard.

—Recipe courtesy of Noel Cullen

[illegible]

Makes enough for 10 lbs. of venison

Ingredients:
4 cups vegetable oil
1 med. onion, thinly sliced
1 carrot, peeled and thinly sliced
6 cloves garlic, thinly sliced
4 bay leaves, broken
4 sprigs fresh thyme, chopped
10 juniper berries, cracked
4 Tbs. cracked black peppercorns

Method:
1. Mix all the ingredients in a pan large enough to hold all the meat. Submerge the pieces of meat in the marinade.
2. Turn the meat in the marinade once a day. Be sure the meat is covered by the marinade.

—from the book *Jasper White's Cooking from New England* by Jasper White. Copyright © 1989 by Jasper White; the Berne Convention. Reprinted by permission of Harper & Row, Publishers, Inc. To order copies of the book, call toll free: 1-800-242-7737.

In her book, *The La Varenne Cooking Course* (William Morrow and Company, Inc., 1982), Anne Willan, founder of the Ecole de Cuisine La Varenne in Paris, reports that cooked marinades (simmering the ingredients until tender and cooling before use) give a stronger flavor and generally are used with beef and game. Red wine, herbs and such spices as juniper, peppercorns, onion, carrots, garlic and shallots are common ingredients in a cooked marinade. "Raw marinades—such as those for fish or chicken, for which the ingredients are simply mixed together and poured over the food—are used when the food is to be marinated for a short time. They're generally composed of white wine or lemon juice, herbs, pepper and a slice or two of onion," Willan writes.

"Dry marinades, a mixture of herbs or spices rubbed on the surface of food, can be just as effective as liquid marinades to flavor food," says Shelly Jacobs, proprietor of Shelly's Woodroast, a Minneapolis restaurant where foods are marinated, then roasted in a special wood-burning oven and finished on a grill. Bill Donnelly of Chez Melange is also a proponent of dry marinades. He rubs chili powder and orange rind on lamb and uses Szechuan peppercorn, and a lemon and lime-rind mixture on meats before grilling to add an Asian accent.

Marinades tenderize

Mary Sue Milliken, co-owner of City Restaurant and Border Grill in Los Angeles, uses a marinade passed on by partner Sue Feniger's mother to tenderize and flavor skirt steak. The combination of olive oil, lemon juice, sherry, soy sauce, Worcestershire sauce, garlic, dry mustard and ground pepper also works well on rib eye, Milliken reports. She warns, "Marinades help to tenderize meat, but if you're not careful they can toughen the meat. The acid (in the marinade) causes the muscle fibers to almost cook and become tough."

Willan recommends marinating fish for two to three hours in the refrigerator, veal and chicken for six to eight hours, and lamb for 24 hours. "Game and beef can be left for up to three days, by which time the flavor is quite strong," she writes.

Executive chef Michael Weeks of Arnies in Edmonds, Washington, likes to use marinades to tenderize fish. "Some cuts from larger fish, like blue marlin and black-tip shark, can be tough; and marinades with lime juice and cilantro tenderize as well as flavor," Weeks points out. He reports that because marinades add so much flavor to meats and fish, the need for sauces is eliminated. "Marinades add flavor without adding the fat, calories and cholesterol of a cream sauce." Weeks uses a bourbon-based marinade flavored with Dijon mustard, soy and Worcestershire sauces on a boneless chicken breast. He says the bourbon provides a sharper flavor than wine. Weeks also combines molasses, ginger, soy sauce, lime juice, coriander, garlic and pepper for a marinade he describes as "a little sweet but excellent on pork tenderloin and some fish."

Marinades extend shelf life

Although marinades are no longer a necessity in this day of modern refrigeration, some chefs still appreciate marinades for their preservative properties. Jasper White writes in his book, *Jasper White's Cooking from New England* (Harper & Row, 1989), "I am a strong proponent of oil-based marinades. They add flavor, increase tenderness and, most important, extend the shelf life and thus reduce the need for freezing as a means of preserving meat." White reports that venison covered with an oil-based marinade keeps up to three weeks in the refrigerator. Michael Weeks claims that some marinades can triple the shelf life of seafood, a highly perishable food item. ☐

EIGHT TAX-SAVING TIPS

by Mark E. Battersby

Thanks to the complexity of our tax rules, many restaurant owners and managers are content merely to avoid making costly errors on their tax returns. Others take full advantage of every tax rule and regulation in order to achieve even greater tax savings. Both reducing the errors that result in tax overpayments and slashing taxes through the use of sophisticated strategies can affect your tax bill on April 16.

1 **Preferential dividends.** A good example of an area where errors frequently occur is that of preferential dividends. All transactions between a closely held foodservice or restaurant corporation and its officer-shareholders are subject to special scrutiny by the IRS. If corporate property is distributed to the stockholders, those stockholders generally realize what is called a "constructive" or "preferential" dividend that is taxed to them.

The most common type of preferential dividend received by shareholders involves the payment of the personal expenses of the stockholders. Typically, the restaurant corporation claims deductions for those expenses as business expenses on its own tax return. But where the expenses are clearly personal expenses, the corporation is denied a deduction and the officer-shareholder is deemed to have received a taxable dividend in the amount of the disallowed expense.

2 **Accumulated-earnings tax.** Incorporated foodservice businesses also run into another potentially expensive tax problem. Unless there is a proper business reason for the

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restaurant to accumulate earnings in excess of $250,000 ($150,000 for certain personal-services companies), a whopping 28 percent penalty may be assessed. To avoid this penalty, the owner or manager must carefully document the business reasons for accumulating the earnings.

3

Subchapter S. Another way of avoiding the accumulated-earnings penalty is also an excellent tax-saving strategy for most foodservice operations—the S corporation.

Although it is too late for 1989, the S corporation election means that the incorporated restaurant generally pays no federal income tax. Nor will the business ever be subject to the personal-holding-company or accumulated-earnings penalty taxes. Plus, the retained corporate characteristics, such as limited liability, continuity of life and transferability of interests, are suitable for both a smooth business operation and unsophisticated estate planning. However, shareholders are responsible for taxes on profits.

4

Estimated taxes. Paying estimated taxes on the basis of a guess of the current year's tax liability is a tricky business. The failure to make proper payment subjects the restaurant to a stiff, nondeductible penalty. Most restaurateurs—and their tax advisors—opt for the safe harbor of an amount based on the prior year's tax bill when this option is available. But foodservice business owners who overpay their estimated taxes are, in effect, making an interest-free loan to Uncle Sam.

Fortunately, a substantial savings can be realized by using the annualized method of estimating taxes if income is less than the income of the prior year. A restaurant may compute any annualized income installment by placing its taxable income for the corresponding portion of the tax year on an annualized basis, computing the tax and paying the required percentages of the tax after deducting all prior required installments for the tax year.

5

Net operating losses. Any restaurateur who is going to show a net operating loss for this year and who still owes taxes from last year is allowed to file for an extension of time to pay tax as a result of financial hardship. Only an interest charge will be assessed on the unpaid balance if the extension is granted.

Of course, many restaurateurs choose to give up the carryback provisions. This might be appropriate, for instance, where a foodservice operation whose prior three years' income were taxed at low rates expects to be in higher brackets in the future.

6

Retirement plans. A deferred-compensation arrangement may be particularly attractive to employers in cash-short years, since some plans required no immediate cash outlay. Quite simply, a program of deferred compensation is a long-range-planning device that can take a number of different forms. This is an excellent time to reexamine the foodservice operation's benefits package. Be on the alert for discrimination in favor of officers, owners or highly compensated individuals.

If the restaurant has too little cash to fund the employee-benefit plan—wait. Funding can legally be delayed until the extended due date of the operation's business income-tax return. Of course, the delay may increase the required minimum contribution to be paid to include additional interest. Or, if the plan is a discretionary profit-sharing plan, consider not funding it at all this year.

7

LIFO. A foodservice business is required to use the accrual method of accounting if inventories are a material income-producing factor. Fortunately the IRS permits several alternative methods of valuing inventories, and the choice of the right method can mean a substantial reduction in taxes.

Perhaps the most common inventory method used is FIFO—First-In, First-Out. This assumes that the oldest item in inventory will be the next item sold. In an inflationary cycle, this method will usually reflect a cost of sales that is lower than current replacement cost. To prevent this, many restaurateurs have turned to another inventory method—Last-In, First-Out, or LIFO. LIFO assumes that the last item purchased will be the next item sold, thus charging the current replacement cost against current sales.

Since switching to LIFO can be done without IRS approval, the decision can be deferred until the due date of the tax return including any extensions. And don't forget that recent changes in the LIFO rules allow foodservice operations to use published government indices to compute the effect of inflation, thereby saving the administrative cost of having to compute their own indices.

8

Depreciation. The recovery of capital costs for most tangible depreciable property is determined under the so-called "Modified Accelerated Cost Recovery System" (MACRS). The cost of eligible MACRS property is recovered over a 3, 5, 7, 10, 15, 20, 27.5 or 31.5-year period, depending on the type of property.

But don't overlook the expensing election for some of those depreciable business assets. All restaurants may choose to treat the cost of qualifying property, known as "Code Section 179 property" (depreciable property that is used in a trade or business), as an expense rather than as a capital expenditure and are allowed to deduct the expense in the year in which the property is placed in service.

On the downside, a $10,000 ceiling is placed on the aggregate cost that may be deducted as a "Section 179" expense. Where the cost of qualified property placed in service during the year exceeds $200,000, the $10,000 ceiling is reduced by the amount of any such excess. ❑

#106

A letter to an HRI graduate

Dear Graduate,

Congratulations on successfully completing your program! Whatever the circumstances were that caused you to enroll in an HRI program, they were auspicious, for you are about to enter a high-growth, worldwide industry that has an unlimited future. You will be part of a service industry that offers enormous opportunities for satisfaction—financial, promotional and personal. No doubt you've heard that before.

As you go out into the world, there are some things that I want to say to you. You won't find this material in a textbook.

1. You may be feeling a little smug because you realize you are in a seller's market for your skills and abilities. Demographic statistics and future projections show a decline in the numbers of persons in your age group and you might think this will heighten demand for you. But don't be fooled. Demographics will not help you over the long haul. You are the primary person responsible for your development and advancement. If you're not willing to work hard, then you won't make it—despite your academic credentials. Conscientious, hardworking people who possess poise and leadership attributes are always in demand. You can't afford to be smug. Ever!

2. You've learned a lot of theory, supplemented somewhat by your "hands-on" coursework and your work experience. That process will soon be reversed; you will have mostly practical day-to-day work experiences. You will need to digest those experiences so they do not become mechanical. Be analytical in what you are doing. Think in terms of systems and flows, and think creatively about refining, altering and bettering what you are doing. Your "thinking" education is not over. It's just starting to be applicable to the real world. That's why they call graduation "commencement."

3. Very shortly, you will encounter problems you have not experienced before that will require immediate and decisive action. You may wonder, "Why didn't my teachers prepare me for this? After all, I paid a hefty tuition, and they should have taught me the answer to this problem." In truth, they have prepared you, but not in the manner you recognize. There are few textbook answers to the issues and problems that arise, and your instructors could not have anticipated all the specific circumstances you will face. What you did receive is a framework for *thinking* as well as a framework for *doing*. With your education, experience, common sense, values and "gut feeling" of what's right or wrong in any given situation, you will be able to take the decisive action. Sometimes it will turn out right, sometimes wrong. Nobody's perfect. Nobody scores on every play. Over time, you will grow in your professionalism and expertise because you have been taught to be more than a doer. You are a thinking doer.

4. Success comes in "cans." It doesn't come in "can'ts" or "cannots." You *can* do it. No job is too big for you. No position is beyond your reach, for you can handle it once it is offered to you. You would not have been given the opportunity to accept it, if those offering it didn't have faith in your ability to succeed. No project is beyond your ability to bring it to a successful conclusion. Don't shy away from responsibility, seek it. Don't reject opportunity, seize it. Don't just move on, move up. Don't just think, think big.

5. Dealing with people will be the biggest challenge you will face. My advice is to keep your word at all times. Your word is the vocalization of all that you represent as a human being. Don't make promises unless you can keep them. Then keep them! Other people may not always keep their word in their relationships with you, but that is not a reason for you to waver in your own standards. If you treat *all* with whom you come into contact with respect, dignity, honesty and sincerity, you will get beaten sometimes—but you'll be rewarded far more often.

6. Today you are looking at the bright side of your future. Although you have high expectations and hopes, you should realize that there will be some very difficult times in your life that may test your mettle as a person. Everyone has difficult times; no one escapes. You are not an exception. When hard times do come, you cannot allow yourself to wallow in self-pity or become immobilized. You will be a role model to others, and you cannot allow them to become dispirited. Your leadership responsibilities will scream for you to manage your way through the difficulty. You will need to be the elevating force for those around you. You *can* do it. On the other hand, you will also enjoy success. Don't let your merriment be carried to excess at such times. Keep your poise and a clear mind, for there is more that can be done.

Your family, your teachers, your employer and others have an investment in you. In large part you reflect us, as we have given a large part of ourselves to you. Accordingly, you are among the very best this nation and this industry have to offer—but you have to keep proving it every day. Good luck, as you move ahead to ever-increasing heights.

Sincerely,

Your old professor

Fisher's Law #106: If you keep the foregoing thoughts in mind, the best of everything you will ever know in your life will still be ahead of you.

Beverage update

Beverage consumption in the United States is changing, reflecting a more health-conscious society. Beverages such as lowfat milk and diet soft drinks are gaining in popularity, while alcohol consumption is steadily declining, especially consumption of distilled spirits.

Alcoholic Beverages

Virtually all measures suggest that alcoholic-beverage consumption is in the midst of a long-term decline. According to government data, consumption of ethanol declined steadily from 1982 to 1986. In addition, there has been a substantial decline in the incidence of alcoholic-beverage consumption among adults.

According to a recent Gallup poll, 56 percent of adults drank alcoholic beverages in 1989, the smallest proportion recorded since 1958. Moreover, a relatively large proportion of those who drink, 25 percent, said they plan to cut down or quit drinking in 1990.

The incidence of alcoholic-beverage consumption is down at restaurants as well, mirroring overall patterns. A 1989 National Restaurant Association survey found that 54 percent of adults consumed alcoholic beverages at restaurants, compared to 61 percent in 1987. Among those who ordered alcoholic beverages, 38 percent reported doing so less often, 57 percent about the same amount and 5 percent more often.

Men were somewhat more likely to order alcoholic beverages at a restaurant or eating place than were women (59 percent versus 48 percent). This was because women 35 and older were much less likely than men to drink these beverages. In contrast, the likelihood of drinking was virtually identical among men and women under 35. It is interesting to note that the decline in the likelihood of ordering alcoholic beverages between 1987 and 1989 is apparent in all age groups except men 55 years old and older.

Per-capita consumption is steadily sliding

According to the U.S. Department of Agriculture (USDA) Economic Research Service, in 1988 the average American 21 or older consumed a total of 39.5 gallons of alcoholic beverages.[1] Per-capita alcohol consumption peaked in 1981 at 43.1 gallons and has been declining ever since.

Distilled spirits. Distilled-spirits consumption was down in 1988 for the ninth consecutive year, according to the USDA Economic Research Service. Adults drank an average of 2.21 gallons of distilled spirits in 1988, compared to 3.04 gallons in 1978.

This downward trend showed signs of continuing in 1989. According to *Jobson's Liquor Handbook*, apparent consumption of distilled spirits (measured on a volume-sold basis) declined 2.3 percent in 1989.

One bright spot for the distilled-spirits industry in 1989 was apparent tequila consumption; the number of cases of tequila sold rose 1.2 percent. Irish-whiskey sales were virtually flat, and all other categories were down, including the vodka category that had posted gains in 1988.

Wine. Per-capita wine consumption declined in 1988 for the second year in a row, according to the USDA Economic Research Service—down a full 6 percent from 1987. Wine-cooler consumption appears to have dropped a dramatic 16 percent in volume in 1989, according to data from the Bureau of Alcohol, Tobacco and Firearms and the Bureau of the Census. All other wines decreased more than 3 percent, and champagne/sparkling wines declined 3 percent.

Imported wines have lost a significant share of the U.S. wine market. In 1984, imported wines represented more than 26 percent of all wines consumed by volume in the United States, but by 1989 that share dropped to 14 percent.

According to the Wine Institute, there has been some shifting in California table-wine shipments to U.S. markets by color categories. Blush wines grabbed a 17 percent share of all shipments in 1989, nearly double their 9 percent share in 1987. White wines took a dive from a 62 percent share in 1987 to a 53 percent share in 1989, red-wine shipments decreased slightly to a 13 percent share in 1989 and rose wine increased to a 16 percent share.

Beer. Beer consumption held up better than any other alcoholic beverage in 1988, declining only slightly (1 percent), reports the USDA Economic Research Service. Per-capita beer consumption peaked in 1981 at 36.8 gallons per adult and decreased every year, to the 1988 level of 34.1 gallons per adult.

According to *Beer Marketer's Insight*, imported beer lost ground in 1989—down 8 percent from 1988 to 8.6 million gallons. Domestic beer increased slightly from 1988 in number of barrels sold, reaching 183.3 million in 1989.

Why has this decline occurred?

The 1989 Gallup Poll cited several reasons for the decrease in alcohol consumption, including increased awareness of alcohol-related health problems, stiffer drunk-driving penalties and concern over drug abuse in the United States. There are indications that

Who is most likely to consume alcohol in a restaurant?

Beer

According to the National Restaurant Association's beverage preference study, consumers who drank alcohol away from home said they were more likely to order bottled beer (68 percent) than a glass of draft (62 percent) or a draft pitcher of beer (40 percent). Consumers said they are likely to order domestic beer (62 percent) over imported beer (47 percent).

Other beer-drinking facts about consumers who drink alcohol away from home:

☐ Men are more likely than women to order beer in a restaurant (with the exception of light beer).

☐ About half of both

Per-capita consumption of alcoholic beverages[1]

Alcoholic-beverage consumption is steadily declining

	Beer	Wine[2]	Distilled spirits	Total gallons consumed
1982	36.2	3.3	2.8	42.3
1983	35.6	3.3	2.7	41.7
1984	35.0	3.4	2.6	41.1
1985	34.4	3.5	2.5	40.5
1986	34.7	3.5	2.4	40.8
1987	34.4	3.4	2.3	40.2
1988	34.1	3.2	2.2	39.5

[1] *Based on gallons consumed by U.S. resident population 21 years old and older*

[2] *Beginning 1983, includes wine coolers*

Source: U.S. Department of Agriculture, Economic Research Service, *Food Consumption, Prices, and Expenditures*, annual; and unpublished data

this decline in consumption will continue. A full one-quarter of the 56 percent who drink said they plan to cut down (18 percent) or quit (7 percent)—almost double the 1987 finding in which 15 percent said they planned to cut down or quit.

The National Restaurant Association's beverage preference study found that the most frequently mentioned (38 percent) reason for drinking less alcohol in a restaurant was that the respondent "didn't enjoy alcoholic beverages as much anymore." Other reasons cited:

☐ health reasons (20 percent)

☐ concerns about drinking and driving (17 percent)

☐ cost of drinking (12 percent) and

☐ concerns about calories or weight control (5 percent).

men and women said they would be at least somewhat likely to order light beer.

☐ Thirty percent of women and 7 percent of men would never order beer in a restaurant.

☐ Preferences for beer decrease with age.

☐ Persons 45 years old and older are considerably less likely than younger consumers to order beer in restaurants.

Wine

Two-thirds of those who drink alcoholic beverages away from home said they were likely to order white wine, 51 percent said red wine, 47 percent said champagne and 38 percent said a wine cooler.

With the exception of champagne, women were more likely to order wine than men. The appeal of white and red wines does not appear to differ by age. However, with increasing age, there is decreasing interest in ordering either champagne or wine coolers. A similar trend occurs with rose wine.

Mixed drinks

More than half of those who drink alcohol away from home (51 percent) said they would be likely to order mixed drinks in a restaurant. Men are more likely to order mixed drinks than women (57 percent versus 44 percent). On the other hand, thick, sweet and fruity cocktails appeal more to women than men (53 percent versus 34 percent); and the likelihood of ordering them is negatively correlated with age—66 percent of drinking customers between the ages of 18 and 24 were very likely to order them, compared to 43 percent of 25 to 44-year-olds and only 30 percent of people older than 45. After-dinner liqueurs are equally popular among men and women (38 percent).

At which restaurants is alcohol most consumed?

According to a special SIP study[2] commissioned by the National Restaurant Association, 65 percent of all alcohol consumed in 1987 by volume in an eating or drinking establishment was in a bar or private club, 30 percent was in a tableservice restaurant and 5 percent was in a fast food establishment. Tableservice restaurants captured the majority of wine consumption by volume (75 percent), and more beer (72 percent) was consumed in bars and private clubs than in any other type of establishment.

Not surprisingly, upscale restaurants had the highest percent of alcohol orders. According to CREST,[3] in 1989, 27 percent of all eater occasions[4] in an upscale restaurant included an alcoholic-beverage order, compared to 4 percent for midscale restaurants and 1 percent for fast food places. Within the upscale category, cocktails were consumed on 12 percent of all eater occasions, beer on 9 percent of occasions, white wine on 4 percent of occasions and other wine (not wine coolers) on 3 percent of occasions.

Several types of restaurants stand out as having a high incidence of alcohol orders. Within the fast food category, they are pizza (4 percent of eater occasions), barbecue (2 percent) and varied-menu (2 percent) restaurants. Beer captured the majority of orders.

In the midscale sector, alcohol was ordered most frequently at Italian restaurants (12 percent of eater occasions), Mexican establishments (12 percent) and fish/seafood places (10 percent). Within the moderate-check upscale category, the top places for alcohol sales were Italian restaurants (26 percent), fish/seafood establishments (25 percent) and steakhouses (24 percent). Casual restaurants also garnered a high incidence of alcohol orders (32 percent). However, higher-check upscale restaurants, especially Italian restaurants (62 percent) and steakhouses (58 percent), captured the highest percentage of alcohol orders per eater occasion.

Nonalcoholic Beverages

Recent nonalcoholic trends seem to reflect a more health-conscious society. Although they continue to consume large amounts of regular soft drinks, Americans appear to be shifting toward diet soft drinks. Also, lowfat milk has become more popular in recent years, and whole-milk consumption is down. Coffee consumption has been fluctuating, and tea has remained relatively stable.

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[1] *Alcoholic beverages, milk and soft drinks were based on U.S. resident population as of July 1. Coffee and tea were based on the total U.S. population as of July 1, 1989*

[2] *SIP stands for National Family Opinion's Share of Intake Panel*

[3] *CREST stands for Consumer Reports on Eating Share Trends, a diary survey by one of the NPD marketing and research companies*

[4] *An eater occasion is one meal eaten by one person*

Soft drinks. Soft-drink consumption, for the most part, has been steadily increasing. According to the USDA Economic Research Service, Americans consumed an average of 31.7 gallons of soft drinks in 1988—up 4 percent from 1987. Between 1980 and 1988, per capita consumption rose 17 percent.

According to Beverage Marketing *1989 U.S. Soft Drink Market and Packaging Report,* fountain-drink consumption increased at a higher rate than consumption of packaged soft drinks. Between 1987 and 1988, packaged soft drinks increased 4 percent in volume, while fountain drinks advanced a full 5 percent.

This translates into a 25 percent share of the soft-drink market for fountain in 1988 and a 75 percent share for packaged. Fountain drinks' share of the overall soft-drink market has been steadily rising.

Between 1987 and 1988, diet soft drinks increased nearly 10 percent in total gallons consumed, while regular soft drinks advanced 3 percent. From 1987 to 1988, diet's share of the total soft-drink market increased 2 percent to 28 percent. Correspondingly, regular soft drink's share of the total market declined from 74 percent in 1987 to 72 percent in 1988. However, in the fountain market, diet soda's share has been gaining at a slightly lower rate than its packaged counterpart. In

Per-capita consumption of nonalcoholic beverages[1]

Low-fat milk and soft-drink consumption are increasing

	Whole milk	Lowfat milk[2]	Tea[3]	Coffee[4]	Soft drinks[5]
1982	15.5	10.8	6.9	25.9	26.9
1983	15.1	11.1	7.0	26.3	27.4
1984	14.7	11.6	7.1	26.7	28.4
1985	14.3	12.3	7.1	27.3	30.4
1986	13.5	13.0	7.1	27.4	31.9
1987	12.9	13.2	6.9	26.3	30.5
1988	12.3	13.7	6.9	24.3	31.7

[1] Milk and soft drinks are based on U.S. resident population, July 1. Coffee and tea are based on U.S. total population, July 1

[2] Includes buttermilk and skim milk

[3] Fluid equivalent conversion factor is 200 6-oz. cups per pound of tea, leaf equivalent

[4] Includes instant and decaffeinated coffee. Converted to fluid equivalent on the basis of 60 6-oz. cups per pound of regular roasted coffee and 187.5 6-oz. cups per pound of instant coffee

[5] Revised in accord with the Census of Manufacturers

Source: U.S. Department of Agriculture, Economic Research Service, *Food Consumption, Prices, and Expenditures*, annual; and unpublished data

Who is most likely to consume nonalcoholic beverages?

Soft drinks

Women were somewhat less likely to order regular soft drinks than men and somewhat more likely to order diet soft drinks, according to the 1987 National Restaurant Association beverage preference study. For instance, 62 percent of males said they were likely to order a regular cola in a restaurant, compared to 46 percent of females. However, 42 percent of females were likely to order a diet cola, compared to 31 percent of males.

Age was negatively correlated with the tendency to order a soft drink in a restaurant. With the exception of diet caffeine-free cola, customers 45 and older were least likely to order all other types of soft drinks, and customers 18 to 24 were most likely to order them.

Coffee

More than half of adult restaurant patrons (53 percent) said they would be likely to order brewed coffee, and 31 percent said they would be likely to order caffeine-free brewed coffee. Nineteen percent would be likely to order regular instant coffee, and 16 percent would order caffeine-free instant coffee. Only 8 percent say they would order iced coffee. More mature patrons, especially 45 and older, were more likely to say they would order coffee, and women showed a stronger preference than men in ordering caffeine-free coffee.

Tea

Regular iced tea is the most preferred tea at restaurants (64 percent), followed by regular hot tea (41 percent). Only 26 percent of respondents said they might order caffeine-free iced tea, and only 18 percent said they would be likely to order caffeine-free hot tea.

Men and women were equally likely to order regular or caffeine-free iced tea in a restaurant. However, women were more likely to order regular hot tea or caffeine-free hot tea than men (46 percent versus 35 percent and 23 percent versus 12 percent). The likelihood of ordering tea does not increase with age. In fact, younger consumers (18 to 24) were somewhat more likely to order hot tea and both regular and decaffeinated tea.

Juices

Eighty percent of respondents said that if orange juice were available, they would be likely to order it in a restaurant. The second-most-popular juice likely to be ordered was apple juice, likely to be ordered by 49 percent. Apple juice was closely followed by grape (43 percent), grapefruit (42 percent), pineapple (38 percent), cranberry (37 percent) and vegetable (36 percent) juices. Only 6 percent said they would never order any juice. Males were somewhat more likely to say they would order orange juice, and females were more likely to order cranberry and pineapple juices. Preferences for apple and grape juice appeared to decrease with age, whereas preference for grapefruit, cranberry and vegetable juice increased with age.

Share of beverage consumption volume away from home by type of establishment

Tableservice restaurants captured almost half of all beverages sold

	Fast food	Tableservice restaurant	Bars and private clubs
Total alcoholic beverages	5	30	65
☐ Total liquor	1	51	48
☐ Total wine	2	75	23
☐ Total malt beverages	6	22	72
Total nonalcoholic beverages	44	49	7
☐ Total soft drinks	58	35	7
☐ Total coffee	32	62	6
☐ Total tea	21	71	8
☐ Total milk	40	56	4
Total beverages	**37%**	**45%**	**18%**

Source: National Restaurant Association, NFO Share of Intake Panel, 1987

1988, diet's share was 22 percent, up from 21 in 1987.

Milk. Although overall milk consumption has decreased slightly over the past several years, lowfat-milk consumption[5] has been on the rise. According to the USDA Economic Research Service, per capita consumption of lowfat milk was 13.7 gallons in 1988, up 27 percent from 1982. In contrast, Americans consumed more than 3 gallons less whole milk in 1988 (12.3 gallons) than they did in 1982.

Coffee. According to the USDA Economic Research Service, per capita coffee consumption fluctuated somewhat over the past several years. Americans consumed 11 percent less coffee in 1988 (an average of 24.3 gallons) than they did in 1986. However, according to the National Coffee Association, coffee consumption rose in 1989 to an average of 1.75 cups per day from 1.67 cups per day in 1988.[6] Moreover, there was a general shift toward brewed coffee and away from instant. Decaffeinated coffee, both brewed and instant, showed a slight increase in 1989.

Tea. Americans consumed an average of 6.9 gallons of tea in 1988, unchanged from 1987, according to the USDA Economic Research Service. In fact, tea consumption has been relatively stable over the past decade.

Spotlight on bottled water

☐ U.S. per-capita consumption of bottled water has risen from 4.0 gallons in 1984 to 6.4 gallons in 1988 (5.7 gallons of nonsparkling and 0.7 gallons of sparkling).

☐ There are 600 different brand labels of bottled water in the United States and more than 75 imported brands.

☐ Based on wholesale dollars, the market for nonsparkling water breaks down to:

- restaurants—5 percent
- vending machines—8 percent
- commercial delivery—27 percent
- home delivery—27 percent
- retail grocery/off-premises—33 percent

☐ States representing the top five markets of bottled water in the United States—in order of rank—are California, New York, Texas, Florida and Illinois.

Source: International Bottled Water Association and Beverage Marketing Corporation

Juice. According to the USDA Economic Research Service, per capita consumption of orange, grapefruit and grape juice was 5.53 gallons in 1988,[7] up slightly from 5.49 gallons in 1987. (The Economic Research Service did not have data available on other juices, such as tomato, cranberry, apple or pineapple.)

According to the Florida Department of Citrus, the sales share of citrus juices to restaurants and other establishments has generally grown over the previous decade. Orange juice sold at U.S. restaurants, convenience stores, hospitals and institutions and for other purposes represented a 35 percent share (434 million gallons) by volume of orange juice sold in 1987-88—up from 28 percent in 1985-86. Grapefruit-juice sales represented a 34 percent share (41.1 million gallons) of all grapefruit juice sold—up from 26 percent.[8]

Where are nonalcoholic beverages most likely to be consumed?

According to the association's SIP study, well over half (58 percent) of all soft drinks consumed by volume in an eating or drinking place were in a fast food establishment. All other nonalcoholic drinks by volume were most likely to be consumed in a tableservice restaurant—71 percent of all tea; 62 percent of all coffee; 56 percent of all milk; and 54 percent of all juice.

According to CREST, in 1989 soft drinks were ordered on 30 percent of all restaurant-eater occasions. The majority of those orders (21 percent) were regular carbonated soft drinks; 8 percent were diet, carbonated; and the remaining 1 percent was noncarbonated. More orders for soft drinks occurred in fast food restaurants (36 percent of all fast food eater occasions) than in midscale (20 percent) or upscale restaurants (15 percent). Fast food hamburger, sandwich and Mexican restaurants were especially popular places to order soft drinks.

Although coffee was ordered on 14 percent of all restaurant occasions, it was much more popular with midscale (30 percent) and upscale restaurants (22 percent) than at fast food places (8 percent). Tea, both hot and iced, was also ordered more at midscale establishments (16 percent) and upscale restaurants (18 percent) than fast food places (4 percent). Milk was ordered on only 2 percent of eater occasions at both fast food and upscale restaurants, but the number of orders rose to 4 percent for midscale restaurants. Juice was ordered on 2 percent of all restaurant occasions and was ordered most frequently at midscale hotel restaurants (13 percent), upscale hotel restaurants (9 percent) and midscale family-style restaurants (6 percent).

—Elizabeth Gordon

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[5] *Includes buttermilk and skim milk*

[6] *Overall population not including persons under the age of 10*

[7] *Excluding hot-pack canned citrus juices*

[8] *Includes orange juice or grapefruit juice that is sold as ingredients of citrus sodas, which represent a minimal part of this category*

A look at children under six

Children under six, whose numbers will peak in the early 1990s, are having a significant effect on foodservice because they are more likely to eat away from home than their counterparts of a few years ago. Moreover, they're a growing market for tableservice establishments.

Traffic for customers under six

More young customers are eating out

	Percent of total, 1988	Percent change 1988/1982
Quickservice	83%	+38%
Tableservice	17	+28
Total	100	+36

Source: National Restaurant Association NPD/CREST survey

The population of children under six is growing faster than the Census Bureau had projected it would because baby boomers are having more children later in life than adults of prior generations. The under-six population is now expected to peak in the early 1990s, when the bulk of the baby-boomer generation matures.

An 8 percent increase in the population of children under six between 1982 and 1988 helped to boost the number of restaurant visits among very young customers. Although these youngsters accounted for just 7 percent of total traffic in 1988, the number of restaurant visits made by those under six jumped 36 percent between 1982 and 1988, compared to 15 percent for adults 18 and over, according to a special CREST study prepared for the National Restaurant Association.

Although they represent a relatively small proportion of the market, these children are having a significant effect on the restaurant industry—in both the fast food and tableservice sectors. Futhermore, they are more likely to eat away from home than were youngsters under six years of age were just a few years ago. This means that restaurateurs must be prepared to serve the needs of more young customers today and in the next few years.

Fast food predominates

In 1988 an overwhelming 83 percent of eater occasions for children under the age of six occurred at quickservice establishments. Traffic for the under-six group increased by 38 percent between 1982 and 1988.

Although quickservice hamburger restaurants are usually associated with youngsters, their dominance is being challenged. Based on a below-average 24 percent increase in traffic between 1982 and 1988, this segment's share of quickservice traffic for the under-six group was down from 46 percent in 1982 to 41 percent in 1988.

In comparison, other types of quickservice establishments, particularly pizza places, are gaining favor with very young consumers. Traffic for the under-six group at pizza restaurants was up by 86 percent from 1982 to 1988, and their share of the under-six quickservice market shot up to 21 percent in 1988 from 17 percent in 1982.

Chicken restaurants posted substantial gains as well, but the leaders in terms of traffic gain for youngsters were Asian and Mexican quickservice places. These ethnic restaurants captured only a small fraction of total quickservice traffic, but occasions for the under-six group more than doubled at each type of restaurant.

Kids eat off premises

Considering the logistical problems of parents with young children, it is not surprising that most kids' business involves purchases for off-premises consumption. Quickservice takeout accounted for more than half of all restaurant occasions for those under six, and it posted a 70 percent increase in traffic from 1982 to 1988.

Off-premises occasions for kids typically occur at home. Fifty percent of at-home, quickservice occasions involved drive-thru or delivery, a convenient alternative for busy parents. Car orders jumped 55 percent between 1982 and 1988. In addition, delivery, which was not tracked in 1982, has increased to a point where it accounted for 6 percent of all quickservice occasions and 15 percent of quickservice occasions where consumption occurs at home.

Dinner is most popular meal

Dinner is the most popular meal period for kids at quickservice restaurants. Nearly half of their quickservice occasions occur at dinner, versus one-third at lunch, 8 percent at breakfast and the remainder at afternoon snacks. From 1982 to 1988, kids' dinner traffic at quickservice restaurants jumped 46 percent.

Pizza restaurants moved into the number-one spot for quickservice dinner among this age group, capturing 38 percent of dinner occasions in 1988 versus 28 percent in 1982. In contrast, hamburger restaurants lost a substantial share of the kids' dinner market with a second ranking of 32 percent of occasions in 1988, down from the number-one spot of 42 percent of occasions in 1982.

Weekend dinners accounted for 25 percent of kids' quickservice business, but weekday lunches were not far behind, capturing 21 percent of occasions. Hamburger restaurants continue to predominate at lunch, capturing 59 percent of lunch occasions for kids under six. Pizza, the closest competitor, attracted just 10 percent of lunch occasions for these youngsters.

More kids at tableservice restaurants

Although only 17 percent of their occasions occurred at tableservice establishments in 1988 and they are responsible for just 4 percent of total tableservice traffic, kids under six cannot be discounted. Because of their increased numbers, they represent an expanding market for the tableservice sector.

Although adult tableservice traffic declined 6 percent from 1982 to 1988, traffic for children under six

Most popular restaurant foods for children under six

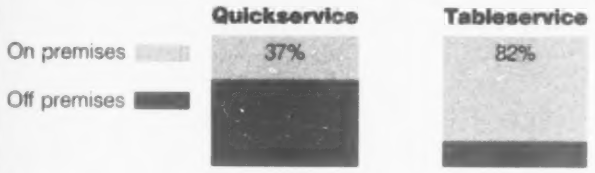
Soft drinks, hamburgers, french fries and pizza are the most frequently ordered restaurant foods for children under six

Food item	**Percent of eater occasions**
Soft drinks	35.2
Total sandwiches	33.5
☐ hamburgers/cheeseburgers	24.1
☐ hot dogs	3.6
French fries	32.8
Pizza	18.0
Fried chicken	11.7
Ice cream	8.9
Milk	8.4
Other desserts	7.6
Mexican	4.1
Juice	3.4

Source: National Restaurant Association NPD/CREST survey

Under-six traffic—on vs. off-premises

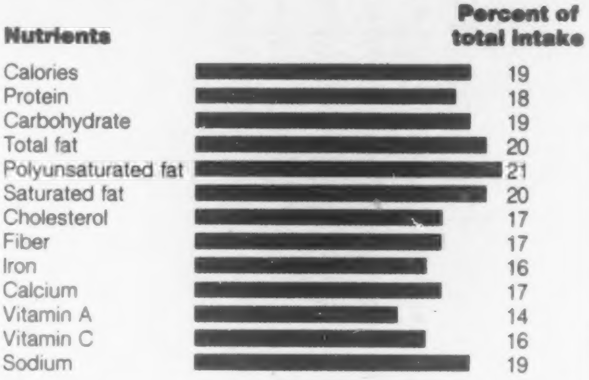
Off-premises occasions are most popular at quickservice establishments



Source: National Restaurant Association NPD/CREST survey

Nutrient contribution of away-from-home food for children one to five years old, 1986

Food eaten away from home does not contribute a disproportionate level of fat or sodium



Note: *This survey defines food eaten away from home as any food or beverage eaten as a guest in another household or obtained in any type of restaurant, cafeteria (including school cafeteria), store or vending machine and eaten outside the home.*

Source: *"Nationwide Food Consumption Continuing Survey of Food Intakes by Individuals, Women 19-50 Years and Their Children 1-5 Years, 4 Days, 1986," Report No. 86-3, USDA, 1988*

jumped 28 percent. In fact, according to CREST, the increased presence of children was occurring more at tableservice in 1988 than at quickservice restaurants. Kids were present at 35 percent of occasions for adults 18 to 44 at quickservice restaurants in 1988, virtually unchanged from 34 percent in 1982. In contrast, kids were present at 24 percent of tableservice occasions for adults 18 to 44 in 1988, up from 19 percent in 1982.

Moreover, the only traffic growth occurring at tableservice restaurants among adults in the 18 to 44-year-old group involved kids. Tableservice customer traffic for adults-only parties was down 16 percent, whereas traffic where kids were included gained 15 percent.

As is true at quickservice eateries, the under-six customer is more likely than adult customers to eat off premises. Still, more than eight out of 10 of their tableservice occasions occurred on premises.

Typically, these kids visit tableservice restaurants for dinner—50 percent of tableservice occasions for customers under six are at the evening meal. Weekend dinners were responsible for 31 percent of occasions; weekday dinners 19 percent. Weekday and weekend lunches combined accounted for 28 percent of kids' occasions.

Nearly four out of 10 tableservice occasions for customers under six occurred at full-menu and family-style midscale restaurants. An additional 10 percent occurred at steak restaurants. Ethnic places represented a relatively small proportion of visits, but the number of occasions at these places was up dramatically.

Although data were not available specifically for the under-six group, it is possible to identify the types of tableservice restaurants where kids up to age 17 were present in the greatest proportion of parties. The clear leaders were as follows:

☐ Upscale burger (34 percent)

☐ Family steak (33 percent)

☐ Mexican tableservice (29 percent)

☐ Italian tableservice (29 percent)

Favorite food items

There were few surprises when it comes to the foods youngsters under six ate at restaurants. The foods they ate are commonly associated with off-premises consumption and lend themselves to sharing, which is likely to occur when small appetites are satisfied. Their favorites were:

Children influence the decision where to eat out

A recent National Restaurant Association study revealed that children under the age of 12 were included in a substantial portion of parties who patronized specific restaurant types. Children under 12 years old constituted:

☐ 40 percent of all parties where dinner food was delivered

☐ 40 percent of parties where dinner was eaten inside a fast food restaurant

☐ 39 percent of parties where a meal was carried out of a fast food restaurant

☐ 28 percent of parties where a meal was eaten at a sit-down restaurant where the average check was less than $10 per adult

☐ 17 percent of parties where a meal was eaten at a sit-down restaurant where the average check was $10 or more per adult.

Source: *1989 National Restaurant Association Dinner Decisionmaking Study*

☐ soft drinks (35 percent)
☐ french fries (33 percent)
☐ hamburgers (24 percent)
☐ pizza (18 percent)
☐ fried chicken (12 percent)

However, kids' tastes are becoming more varied. Although they account for only 1 to 4 percent of occasions, the number of pasta, Mexican and Asian dishes ordered by kids under six increased substantially. Other items posting gains of 50 percent or more from 1982 to 1988 include juice, pizza, main-dish salads and fried chicken (mostly nuggets and bits).

Despite the common assumption that children prefer mild and plain foods, youngsters tend to favor foods that are familiar, regardless of the seasoning. Children tend to be more sensitive to the temperature and texture of food than to flavor.

Meal promotions aimed at children can include milk or fruit juice as the beverage rather than soft drinks. Finger foods are popular among the preschool crowd. Raw or partially cooked vegetables fill the bill. Whole fruit is unwieldy for little hands, but cut-up fruit or dried fruit would be appropriate for this audience. Yogurt is a good choice to have available for children who prefer not to drink milk when eating away from home.

Commensurate with their size, appetites of young children are small. A standard portion for preschool is one tablespoon of food for each year of age. Operators who serve child-sized portions or who encourage meal sharing among youngsters are likely to be favored by parents. ❑

Hotel restaurant operations data

A special analysis of the National Restaurant Association's 1989 industry operations survey provides operating data for hotel restaurants.

For the second consecutive year, restaurant industry operations data from the association's annual survey have been compiled for restaurants located in or attached to a hotel.

Higher checks

According to the association's analysis of the operations survey data, hotel restaurants in 1988 posted median sales of $2,755 per seat. These establishments reported median food sales of $2,289 per seat and median alcoholic-beverage sales of $557 per seat.

Although hotel restaurants generally posted lower per-seat sales than other tableservice restaurants, they did record higher average checks. For 1988 hotel restaurants reported a median per-person check size of $11.21, compared to $9.07 for all full-menu tableservice respondents and $6.12 for all limited-menu tableservice respondents.

Payroll and rent expenses advance

Despite higher average checks, in 1988 hotel restaurants reported a median profit of $7 per seat. This compares to a much higher median profit of $141 per seat for full-menu tableservice establishments and $289 for limited-menu tableservice operators.

Two important expense categories that contributed to hotel restaurants, posting little to no profit are controllable expenses and occupation costs. Controllable expenses are the costs that are most directly influenced by operating policy and management efficiency; they include major expenses, such as salaries and wages, employee benefits, and advertising and promotion expenses. Occupation costs include rent, property taxes and property-insurance expenses.

In 1988 hotel-restaurant participants reported that controllable expenses were 55 percent of total sales and occupation costs were 8 percent of total sales. By comparison, in 1987 hotel-restaurant controllable expenses were a lower 52 percent of total sales and occupation costs were 7 percent of sales. Although these results are not strictly comparable, it is clear that higher payroll and rent expenses are increasing the ratios for controllable and occupancy costs.

For example, in 1987 hotel-restaurant survey participants reported a median payroll cost of $1,004 per seat or 31 percent of total sales. In 1988 the median payroll cost per seat was $1,105 or 35 percent of total sales.

For 1987 hotel restaurants had a median rent expense of $190 per seat. In 1988 hotel-restaurant survey participants had a higher median rent expense of

Employee information*

Hotel restaurants had 30 full-time equivalent employees

	Full-time equivalent employees			Amount per full-time equivalent employee	
	Total	Per 100 restaurant seats	Per 100 average daily covers	Total sales	Total payroll
Hotel restaurants	30	12	16	$23,375	$ 9,436
Full-menu tableservice	30	17	12	28,800	9,463
Limited-menu tableservice	18	15	9	29,616	8,687
Limited-menu no tableservice	15	22	4	40,414	11,036

* *Median values*

Source: National Restaurant Association's restaurant industry operations survey, 1989

Selected income and expenses* for hotel restaurants in 1988

Median restaurant sales were $2,755 per seat

	Amount per seat	Ratio to sales**
Total sales	$2,755	—
Total cost of sales	942	34%
Gross profit	1,767	66
Total income	1,999	67
Controllable expenses		
Payroll	1,105	35
Employee benefits	140	4
Direct operating expenses	206	7
Music & entertainment	28	1
Advertising & promotion	59	2
Utilities	128	4
Administrative & general	84	4
Repairs & maintenance	44	1
Occupation costs		
Rent	234	7
Property taxes	41	1
Other taxes	51	2
Property insurance	52	2
Income before interest & depreciation	134	4
Interest	76	3
Depreciation	114	4
Restaurant profit	$ 7	0%

*Median values

** All ratios are based as a percentage of total sales*

Source: National Restaurant Association's restaurant industry operations survey, 1989

$234 per seat. Consequently, hotel-restaurant profit has been squeezed.

Staffing overview

Hotel-dining establishments employed 30 full-time-equivalent workers in 1988, the same number reported by all full-menu tableservice survey participants. Limited-menu tableservice operators employed 18 full-time-equivalent employees.

Median total sales per full-time-equivalent employee were $23,375 at hotel restaurants, compared to $28,800 for all full-menu tableservice survey participants and $29,616 at limited-menu tableservice operations. Total payroll per full-time-equivalent employee at hotel restaurants was $9,436—virtually identical to that of full-menu tableservice operations.

—Hudson Riehle

Lodging sales continue to grow

The National Restaurant Association forecasts that food-and-drink sales at lodging establishments (which include hotel, motor-hotel and motel restaurants) will reach $15.1 billion in 1990—up 6.7 percent over 1989 or a 2.3 percent advance in real terms.

Hotel restaurants are expected to account for 84 percent of the lodging foodservice market, posting sales of $12.7 billion. This represents a real sales gain of 2.6 percent. Motel-restaurant sales are expected to reach $1.5 billion, while motor-hotel-restaurant sales are forecast to exceed $936 million this year.

Industry is still mostly small business

Contrary to the belief that independent restaurants are being "gobbled up" by large corporations, small single-unit firms still accounted for the bulk of eating and drinking places in 1987.

According to the recently released *1987 Census of Retail Trade* data on firm size and organizational form, nearly 62 percent of all eating and drinking place firms* had annual sales below $250,000—a decline from 71 percent in 1982—and 18 percent had annual sales between $250,000 and $500,000. In contrast, just more than 8 percent of eating and drinking firms had annual sales of $1,000,000 plus.

Among refreshment places (fast food) and restaurants and lunchrooms, the pattern is similar. According to the *Census of Retail Trade*, 53 percent of restaurant and lunchroom firms had annual sales of less than $250,000 in 1987, as did 59 percent of fast food firms. Only 10 percent of restaurant firms and 12 percent of fast food firms had sales in excess of $1,000,000 per year.

This high incidence of "small" business is even more evident when looking at single versus multi-unit ownership. In 1987, 96 percent of restaurant and lunchroom firms were classifed as single-unit businesses.** These firms, in turn, accounted for 84 percent of restaurant and lunchroom units. Furthermore, the number of establishments owned by single-unit firms increased at a slightly faster pace than was the case for establishments owned by multi-unit restaurant firms.

The proportion of fast food establishments owned by single-unit firms was significantly lower than the proportion for restaurants and lunchrooms. Fifty-nine percent of fast food establishments were single-unit operations in 1987.***

Between 1982 and 1987 the number of units owned by multi-unit fast food firms increased at more than twice the pace of unit expansion for single-unit firms—40 percent versus 18 percent. This suggests that multi-unit franchisees and

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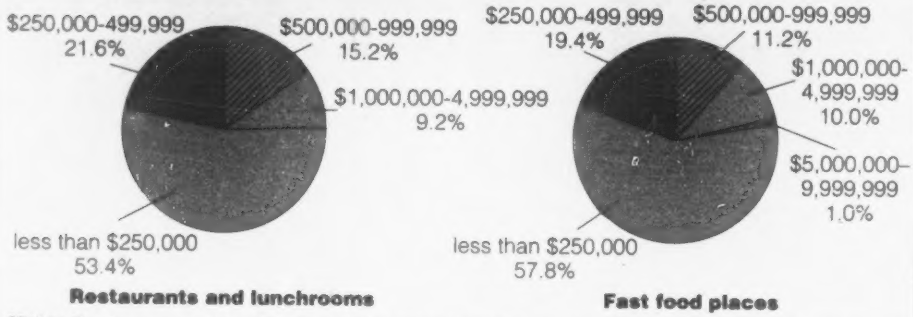
**includes only firms with payroll and those establishments operated throughout the year*

***Single-units were defined by firm ownership; thus an operator who owns one single establishment that was a restaurant or lunchroom or fast food establishment was considered to be a "single-unit." This number does not include firms that own more than one establishment but only own one eating establishment—i.e., a person who owns a dry-cleaning store and a restaurant would not be included*

****It should be noted that a franchisee operating one unit is categorized as a single-unit firm*

Distribution of firms by annual sales in 1987

Firms with annual sales of $500,000 or less accounted for about three-fourths of all fast food places and restaurant and lunchroom firms in 1987



Note: Totals do not add to 100. Remainder are too small to graph—0.6% of restaurant and lunchroom firms had annual sales of $5 million or more and 0.5% of fast food firms had sales of $10 million or more.

Source: U.S. Department of Commerce, *Census of Retail Trade, 1987*

company-owned stores are responsible for the lion's share of fast food growth, although the majority of units are still in the hands of single-unit operators.

Fastest growth among high-volume units

Although many restaurants and fast food establishments were smaller-volume units, the fastest growth in number of establishments and sales occurred in high-volume units.

According to *Census of Retail Trade* data, the number of eating places with annual sales of $25,000,000 plus more than doubled between 1982 and 1987—from six to 15 units. The same was true with the number of eating places with sales between $10,000,000 and $24,999,999—from 50 units to 123 units—and eating places with sales between $2,500,000 and $9,999,999—from 1,640 units to 3,482 units. There was also nearly a 90 percent increase in the number of eating places with sales between $1,000,000 and $2,499,999. At the same time, the number of eating places with sales below $249,999 declined from 1982 to 1987.

Although some of this change may reflect the inflationary effect of increasing menu prices over the period (menu prices climbed 22 percent, based on the Consumer Price Index for food away from home), it is not likely that inflation alone is responsible for the shift to establishments with higher sales.

Establishments by sales volume 1982 and 1987

The fastest growth was found among high-volume establishment

	Restaurants & lunchrooms		Fast food	
Sales volume	**1982**	**1987**	**1982**	**1987**
$5,000,000+	119	269	11	62
$2,500,000–$4,999,999	999	2,038	115	466
$1,000,000–$2,499,999	8,545	14,182	5,716	13,191
$500,000-$999,999	17,281	23,072	16,379	25,970
$250,000-$499,999	23,581	27,590	21,824	26,885
$100,000-$249,999	31,349	32,397	27,759	27,034
$50,000-$99,999	16,481	14,899	14,729	11,928
$25,000-$49,999	7,762	7,626	6,979	5,424
Less than $25,000	4,785	4,449	5,014	3,120

Note: *Data include only those establishments with payroll that operated the full year*

Source: U.S. Department of Commerce, *Census of Retail Trade, 1987*

Higher growth among the highest-sales-volume units was more noticeable among fast food places than for restaurants. Restaurants and lunchrooms with sales of $5,000,000 or higher more than doubled in number between 1982 and 1987—from 119 restaurants in 1982 to 269 in 1987. Over that same period, the number of fast food places with sales of $5,000,000 or more increased almost sixfold—from 11 to 62. At the same time, there was a decline in the number of restaurants and lunchrooms and fast food places at the lowest sales volumes (see chart).

Modest per-unit sales growth

As a whole, the number of restaurants and fast food establishments posted double-digit unit and sales growth between 1982 and 1987. During this period the number of restaurants and lunchrooms grew 14 percent, and the number of fast food places increased by 16 percent. Sales growth advanced 43 percent for all restaurants and 63 percent for fast food establishments.

The average unit sales for restaurants and lunchrooms in 1987 was $493,376—up 25 percent from 1982, and the average unit sales for fast food establishments was $471,884—up 41 percent from 1982.

—*Nancy Michalski*

How large are the largest firms?

According to the *Census of Retail Trade*,

☐ The four largest restaurant firms owned 3 percent of all restaurant units in 1987—no change from 1982.

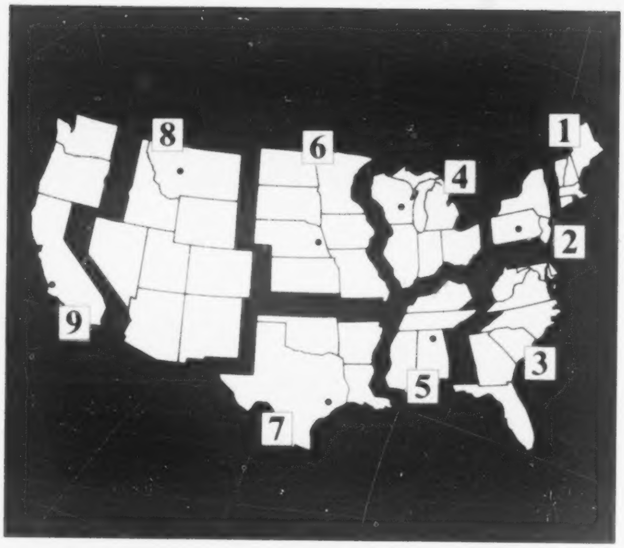
☐ The four largest fast food firms owned 5 percent of all fast food units in 1987—up from 3.5 percent in 1982.

☐ Large firms were less prevalent among restaurants than fast food establishments. The top 50 restaurant firms owned 7 percent of all restaurant units, whereas the top 50 fast food firms owned 15 percent of all fast food units.

☐ Between 1982 and 1987, fast food units overall grew 26 percent and the top four fast food firms increased their number of units by 87 percent.

To find out more

If you would like additional information from the *Census of Retail Trade*, call the association's research department at 1-800-424-5156 ext. 5957 or (202) 331-5957 from 9 a.m. to 5 p.m. Eastern Standard Time.



1 NEW ENGLAND

Location: Westerly, RI
Association members: Ruth and Bill Holliday
Operation: Happy Holliday Restaurant
Profile: Midscale restaurant
In business: 70 years
Seats: 185
Meals served: Lunch, dinner

"It's been a slow winter, and it was a slow summer," says owner-operator **Bill Holliday,** commenting on the hard times that have followed the collapse in New England's real estate market. In spite of a loyal clientele of local business-people and senior citizens, the Happy Holliday Restaurant has felt the region's squeeze.

Bill Holliday's grandfather started the operation as a small bar early in the century, with the family living upstairs. Then he added sandwiches, and from there the restaurant has grown in both size and diversity.

To combat the tough economic climate, the Hollidays have accented value in their menu pricing. They currently offer a full luncheon buffet for $6.95, and senior citizens pay only $5.95. In another effort to boost customer counts, the restaurant has undertaken cross-promotions with local hotels. In one promotional tie-in, the hotel offers to pay for half of its guest's meal at the Happy Holliday.

Holliday notes that area diners seem to be eating out earlier in the evening. As a result, the Hollidays have bumped up closing time by an hour, which helps to control labor costs.

2 MID-ATLANTIC

Location: Carlisle, PA
Association member: John Doulgeris
Operation: Little John's Family Restaurant
Profile: Midscale family restaurant
In business: 5 years
Seats: 155
Meals served: Breakfast, lunch, dinner

"When you walk into our place, it's like you're walking into someone's home," says Little John's owner **John Doulgeris.** The restaurant's big bay window, light-blue decor and outdoor landscaping make welcome surroundings for Little John's main customers: local retirees and families.

Located at the base of the Allegheny Mountains, Carlisle's mild weather and flat topography have made it an ideal retirement town. Little John's reaches these diners with ads in the local paper and through contacts with nursing homes.

Plenty of freshly cooked daily specials dot the menu, and great care is taken to prepare the food in a nutritious way. "Everyone is concerned about health," says Doulgeris. "That's the trend for the '90s. We don't sell alcohol, either, so it's a good place to bring a family."

Little John's is closed on Sundays, and Doulgeris thinks that helps attract better-quality employees. "By being closed on Sunday, we get a group of young workers who have the support of their families. They can spend at least that one day on family activities."

3 SOUTH ATLANTIC

Location: Salisbury, MD
Association members: Ed Horner, Logan Widdowson
Operation: Johnny's and Sammy's
Profile: Upscale restaurant with adjoining coffee shop
In business: 35 years
Seats: 381
Meals served: Breakfast, lunch, dinner

Johnny's and Sammy's is under new ownership, but it's been a fixture in Salisbury for more than 35 years. The restaurant's location on Maryland's Eastern Shore puts it in the path of tourists driving to area resorts, but 90 percent of patronage is local.

Manager **Kay Tyler** is proud of the upscale restaurant's menu, which includes plenty of local flavor. "We make our own crab cakes, which I say are the best in the world," boasts Tyler, "and I'll back it up." Also on the menu, served January through March, is muskrat. "We cook it with sage and onions, and people who like it really like it. Those who don't stay as far from it as possible," says Tyler.

4 EAST NORTH CENTRAL

Location: Lake Delton, WI
Association member: Jeff Wimmer
Operation: Jimmy's Del Bar
Profile: Upscale steakhouse
In business: 47 years
Seats: 225 plus 60 on outdoor patio
Meals served: Dinner

Business was once exclusively seasonal for this steakhouse situated on a highway halfway between Minneapolis and Chicago. But a recent spurt of traffic from snowmobilers and skiers has perked up weekend traffic in the winter.

Manager **Jane Groessel** relies on advertising placed by the local visitors' bureau to promote both the restaurant and the Wisconsin River area as a tourist destination. With waterparks and recreation throughout, the region is a magnet for family travelers during the summer months.

Jimmy's began as a supper club and still features a New York steak as the house specialty. Also on the menu are fresh fish, pasta and prime rib.

5 EAST SOUTH CENTRAL

Location: Jacksonville, AL
Association member: Elias Jourban
Operation: Village Inn
Profile: Family buffet and limited menu
In business: 25 years
Seats: 160
Meals served: Lunch, dinner

Sunday afternoon is peak time at the Village Inn, according to owner **Elias Jourban.** The local after-church crowd is treated to a traditional Thanksgiving meal each Sunday, including turkey, dressing and homemade desserts. Plenty of other options are also available at the extensive buffet, vegetable bar and salad bar.

Jacksonville is the home of Jacksonville State University, so Jourban courts students as both customers and employees. Jourban himself was once a student and Village Inn employee. "I worked here as a waiter when I was in school," says Jourban. "I liked it so much that I worked for Pizza Hut for 12 years, saved up my money and came back and bought the place."

6 WEST NORTH CENTRAL

Location: Omaha, NE
Association member: Daniel Sherman
Operation: Zio's Pizzeria
Profile: 2 pizzerias
In business: 4½ years
Seats: 48 and 75
Meals served: Lunch, dinner

Business is going well for Zio's Pizzeria. Excellent reviews on television and in local newspapers have been worth "thousands and thousands and thousands" of dollars in advertising, according to owner **Daniel Sherman.** One local reviewer proclaimed Zio's New York-style pizza his "favorite of all time." Sherman credits its popularity to the freshness and quality of ingredients used.

Finding employees in Omaha, however, is not too easy. "It's a nightmare," says Sherman. "We're not able to get rid of our poor workers, because we'd have to replace them with worse." Omaha's unemployment rate stands near 3.5 percent, which is far below the national average. Sherman says that local telemarketing firms siphon off potential employees by paying wages higher than a restaurant can afford to pay.

Zio's decor features a subtle art-deco feel, and Sherman bills the restaurant "the home of the round square meal."

7 WEST SOUTH CENTRAL

Location: Houston, TX
Association member: Vincent Mandola
Operation: Nino's Restaurant & Bar
Profile: Upscale Italian
In business: 12½ years
Seats: 120
Meals served: Lunch, dinner

Business has remained steady through boom and bust at Nino's Italian restaurant in downtown Houston. Relying on traffic from regulars and word-of-mouth recommendations, Nino's does almost no advertising or promotion. "We offer down-home Italian cooking that a lot of people identify with," says manager **Dale Bartnick.**

Although many Italian restaurants have opened in Houston in recent years, none recreate Nino's earthy feel. Located in an old house of wood and brick, the restaurant's high ceilings and traditional decor transcend its urban surroundings. "People don't come here to see and be seen," says Bartnick. "They come here to enjoy good food and good service. We have a lot of customers who come here daily."

Nino's veal, fresh seafood and homemade cannoli attract a mixed audience, including downtown businesspeople and theatergoers.

8 MOUNTAIN

Location: Great Falls, MT
Association member: Diane Guy
Operation: El Comedor
Profile: Midscale Mexican
In business: 20 years
Seats: 104
Meals served: Lunch, dinner

This month El Comedor celebrates its 20th anniversary of bringing Tex-Mex food to the Great Falls area, and business is still growing: Sales increased 12 percent last year without an increase in menu prices.

President and general manager **Diane Guy** is gearing up for this year's Cinco de Mayo celebration, a promotion that will be bigger than usual because of the restaurant's anniversary. In addition to the usual mariachi band and festive decorations, a trip to Mexico will be given away, and there will be a pinata party for youngsters.

El Comedor isn't the only Mexican restaurant in Great Falls, but its 20-year reputation gives it an advantage. "We've probably seen 20 Mexican restaurants come and go since we've been here," says Guy. The restaurant serves its burritos, enchiladas and fajitas to a diverse clientele, including Great Falls regulars, employees of the local air base and members of nearby farming communities.

9 PACIFIC

Location: Santa Maria, CA
Association member: John A. Yurasek
Operation: Jay's Fish & Chips
Profile: Quickservice seafood
In business: 20 years
Seats: 19
Meals served: Lunch, dinner

Located halfway between San Francisco and Los Angeles on California's central coast, Jay's Fish & Chips has done a steady business for 20 years by serving up deep-fried seafood to Santa Maria residents and travelers from nearby highway 101. An area hospital and its surrounding medical community offer owner **John Yurasek** a solid customer base to supplement Santa Maria's growing retirement communities. "I don't have much competition," says Yurasek, "mostly because I've been here so long."

Jay's business is 65 to 70 percent takeout, but Yurasek doesn't like to call his fare "fast food." "We cook everything when the customer gets here," he says. "We don't have any warming lights."

Jay's once had a seating capacity higher than its current 19, but a Santa Maria law requiring no-smoking sections prompted Yurasek to reduce the number of seats. Restaurants with 19 or fewer seats are exempt from the law.

—Paul Moomaw

Talking in the walk-in

Restaurant managers who hurriedly shuttle back and forth between the front and back of the house, solving problems and making decisions, know that all that running around can frazzle the brain as well as wear out the feet. But managers in Indianapolis and San Diego are finding relief from a new source—cordless telephones.

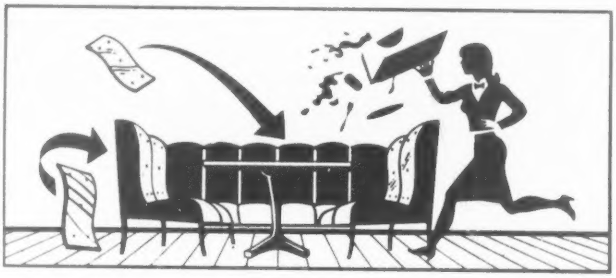
AT&T, which has been testing its new cordless multiline phones in the two cities, reports that restaurants and foodservice operations in particular are especially pleased with the product. Managers who report to work before a shift do not feel so isolated when they carry the cordless phones with them; they can move freely around the restaurant and not worry about missing incoming calls. Or they can carry the phone into the walk-in and storage areas and order supplies over the phone with the stock right in front of them. They can also use the phones' intercom system to communicate with staff in other areas of the restaurant—sort of like a walkie-talkie.

The phones are a plus for customers, too; they can make calls from their table if restaurants wish to offer this service.

—AT&T

Quick-change booths

Here's another time-saving invention for restaurant operators—booths with modular panels that can be replaced in three minutes or less, making cleaning and repair much easier. The modular booths are the brainchild of Tom Smith, president of Crown Seating, Inc., a Sacramento firm that markets restaurant furniture.



Here's how the booths work. Each booth is made up of upholstered modular panels that can be easily assembled and disassembled. The backrests have several panels—rather than one piece—so that if one of the panels is stained or ripped, it can be easily and quickly replaced with an extra, which means the entire booth does not have to be put out of commission. The panels are attached with Velcro for additional ease of installation, but Crown is quick to point out that the Velcro fastenings aren't so simple to figure out that young customers would be able to pull the booths apart!

—Crown Seating, Inc.

CEOs at the Show

When you walk up to the booth at the association's Show in Chicago, you may shake hands with the company president. According to studies done by Incomm International, a consulting, marketing and research firm in Chicago that specializes in trade shows, more CEOs and company presidents are attending shows than ever before—twice the number that attended in 1984.

Incomm's Dr. Allen Konopacki interviewed 100 CEOs and presidents to assess their opinions on trade shows. Eighty-four percent of the respondents claimed to have visited their company's show exhibit during the past year, compared to only 39 percent of the CEOs surveyed in 1984.

Seventy-six percent of the company heads indicated that having the opportunity to assess the competition firsthand was the most valuable result of attending a trade show, but Konopacki maintains that there is more to the trend than "checking out the other guy." He believes the improved attendance figures reflect the move toward a hands-on management style by company leaders who see trade shows as a way to improve communications with their employees and to participate more in the actual marketplace.

—*The Wall Street Journal*

"A letter to our friends"

Now here's a restaurant that wants to keep its customers. Remi Restaurant in New York City sent a letter to customers on its mailing list in March to apprise them of their new Manhattan location.

As owners Adam Tihany and Francesco Antonucci wrote, "We cannot thank you enough for the years of loyal patronage, and we are sure that you will find our new home as good, friendly and caring, and maybe geographically even a bit more convenient for your lunch appointments or before and after-theater dinners."

The owners also used the letter as an opportunity to announce the opening of another Remi Restaurant in Santa Monica, California, in case Remi customers traveling to the West Coast feel a little homesick.

—Remi Restaurant

They want it fast, fresh and friendly

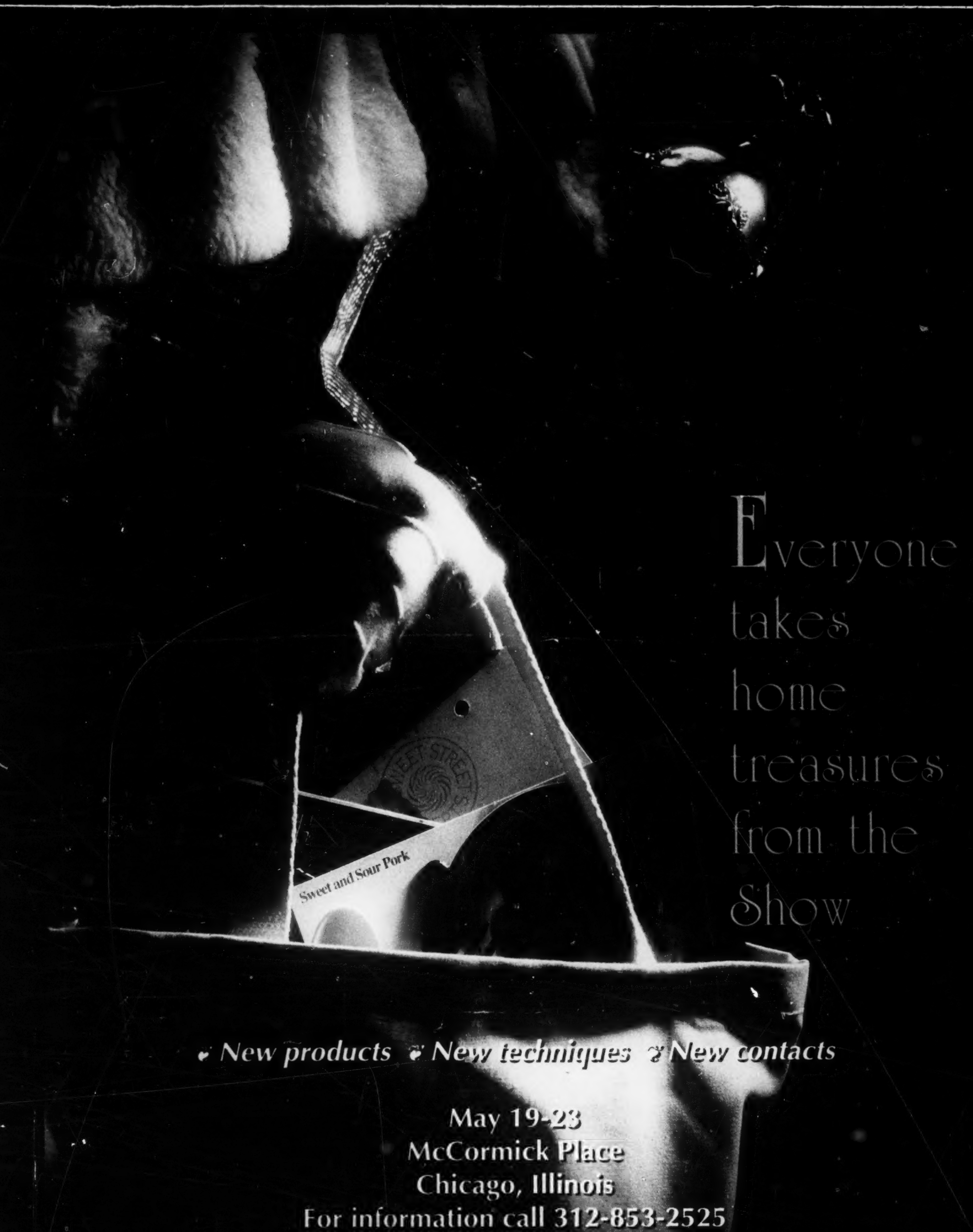
It's no secret that American diners are looking for ways to eat on the go, but a survey by Wendy's and Gallup of 1,029 fast food consumers points out more specifically what quick diners want:

☐ 76 percent desire friendly and helpful service

☐ 65 percent want freshly made sandwiches and

☐ 61 percent want to be able to make a special order without having to wait.

—*USA Today*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THE MONTHLY MAGAZINE OF THE NATIONAL RESTAURANT ASSOCIATION VOL. 10 □ NO. 5 □ MAY 1990

RESTAURANTS

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Temperature is RISING in the franchise sector

ASSOCIATIONMEETINGS

SEMINARS

Basic Foodservice Courses

Kitchen Management

6/4	Denver, CO
6/11	Portland, ME
6/12	Manchester, NH
6/18	Los Angeles, CA
6/19	San Francisco, CA
6/20	Sacramento, CA

Foodservice Management Courses

Banquet Management

6/11	Raleigh, NC
6/18	Cleveland, OH
6/19	Philadelphia, PA

Labor: Hiring, Training and Retaining

6/5	Charlotte, NC
6/6	Nashville, TN

Off-Premises Catering

6/4-5	Boston, MA

Profitability

5/22	Richmond, VA
6/5	Pittsburgh, PA
6/6	Detroit, MI

Successful Buffet Management

5/22	Portland, OR
5/23	Seattle, WA

For information, contact:
Educational Foundation of the
National Restaurant Association
250 South Wacker Drive
Chicago, IL 60606
(312) 715-1010 or 1-800-522-7578

If your company is interested in our in-house programs, call or write to the attention of Jeff Harrison at the above address.

Make Sure You SERVSAFE

SERVSAFE, the educational foundation's latest addition to the food protection arsenal, trains foodservice managers in vital food safety practices and gives them the tools to take that information back to employees.

An outgrowth of the foundation's **Applied Foodservice Sanitation** certification course, SERVSAFE is a complete food protection education package for training and certification.

Don't miss the chance to win another battle in the war for customers. Call the foundation's customer service department at 1-800-765-2122 for more information.

Seminars scheduled during National Restaurant Association Restaurant, Hotel/Motel Show

5/19

Applied Foodservice Sanitation
Customer Service*
Dining Room Management
Food Cost Management
Franchising for Growth
Healthy Profits through Nutrition
Kitchen Management*
Labor: Hiring, Training and Retaining*
Perfecting Your Culinary Skills
Profitability
Promoting Your Restaurant*
Successful Buffet Management
Takeout Delivers Profits

5/20

Applied Foodservice Sanitation
Banquet Management
Dining Room Management*
Food Cost Management
Franchising for Growth*
Healthy Profits through Nutrition*
Kitchen Management
Profitability
Promoting Your Restaurant*
Takeout Delivers Profits*

**half-day program*

Note: *All Chicago seminars except those at the Show are held in the educational foundation's conference center at 250 South Wacker Drive.*

EXECUTIVE STUDY GROUP SERIES

Foodservice Purchasing Managers

5/17-18	Chicago, IL

Marketing Executives

5/16-20	Chicago, IL

Multi-Unit Architects, Engineers and Construction Officers (MAECO)

5/16-18	Chicago, IL

For more information on specific study groups, contact: Philip Kralovec, (312) 853-2525.

The Executive Study Groups present semi-annual professional development programs for executives who would like to meet with their industry peers to share ideas and concerns. Executives in each of the afore-mentioned disciplines from member foodservice companies are welcome and encouraged to participate.

COURSES AND BOOKS AVAILABLE

Certification Courses

Applied Foodservice Sanitation
Applied Foodservice Purchasing
Managing Quantity Food Production
Management by Menu
The Financial Ingredient in Foodservice Management
Foodservice: A Managerial Approach
Legal Aspects of Foodservice Management
Foodservice Supervision: Achieving Success Through People
NEW! Effective Foodservice Marketing
NEW! Introduction to the Foodservice Industry/Introduction to Foodservice Management

Self-Development Courses

Protecting Restaurant Profits: Managing Security
Effective Communication
Managing People
Restaurant Operations and Control
Restaurant Purchasing
Bar and Beverage Management
Helping People Grow
Service: Managing the Guest Experience

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RESTAURANTS USA

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PRESIDENT'S REPORT

Harris H. "Bud" Rusitzky, President
Serv-Rite Food Service and Consulting Corporation
Pittsford, New York

Come to the Show this month

May 19 marks the opening day of the 71st annual National Restaurant Association Restaurant, Hotel-Motel Show at Chicago's McCormick Place. Besides the 2,000 exhibits, the management clinics—which give operators a chance to brainstorm with their peers—and presentations by some of the foremost minds in the country, there will be three exciting "learn-while-you-watch" competitions.

The Culinary Arts Salon will feature the largest cold-food display of its kind in the country as 200 talented culinarians compete with original and creative food masterpieces. In the Ice Carving Classic, competitors from the United States and five foreign nations will create awe-inspiring sculptures out of ice. And the final selection for the 1992 Culinary Team USA, those who will represent the United States at the next "culinary olympics" in West Germany, will be made at the Show. You can't afford not to be at this year's Show.

Educational lineup at Show

The educational lineup at the Show is considered by many veteran Showgoers to be as invaluable an experience as walking the Show floor. In addition to the theaters and management clinics, the association's educational foundation will be presenting pre-Show seminars on Saturday, May 19, and Sunday, May 20, in both half-day and full-day formats. There will be topics to appeal to everyone. Registration for the seminars is a separate charge from general Show admission.

Learn about nutrient analysis

While you're at the Show, don't forget to stop by the National Restaurant Association membership booth (#3004) Monday afternoon or Tuesday morning for a demonstration of the association's new nutrient-analysis service. The association's nutritionist will show how recipes are analyzed for nutritional content per serving—to include a listing of calories, protein, carbohydrates, sugar, dietary fiber, sodium, fat and cholesterol. The service also can provide diabetic-exchange values.

Parental leave is back

It looks as if the parental-leave issue is back. With President Bush indicating he will veto the child-care bill, Congress is likely to shift its attention to passing a parental-leave bill; a version may even come up for a vote on the House floor this month. Our association's position is that we should not be told which benefits we must offer our employees. The benefits employees want and need are as diverse as the employees themselves.

Help needed to correct minimum-wage bill

Our association is also pressing Congress to pass technical-correction legislation that will correct an oversight in the new federal minimum-wage law and restore an exemption to small businesses, as intended by Congress. As the law now stands, employees engaged in interstate commerce are covered by the new minimum wage, even if employed by restaurants grossing less than $500,000. The law originally contained an exemption for these restaurants.

Association representatives are in the process of meeting with members of both the House and Senate labor committees to bring the situation to their attention and to seek support for a legislative correction. We are pleased to have won the support of the Department of Labor and the President, whose assistant for economic and domestic policy has written that the administration had no intention of creating the unexpected problem.

FICA tax repeal also needed

Our association is also campaigning for a repeal of the employer-paid Social Security (FICA) tax on tips. If tips are not counted as wages when we calculate our payroll, they should not be considered wages when we figure payroll taxes. Further, the tax singles out our industry; employers of stockbrokers or salespeople on commission are not subject to that provision.

The association is trying to rally support on Capitol Hill for a bill that would repeal this unjust tax. For such a bill to come to a vote, it must have at least 200 cosponsors in the House and 40 in the Senate. As of this writing, we have lined up 85 cosponsors.

Our association has prepared a background paper that sets forth arguments against the tax, and it has sent the paper to each senator and representative as well as to each of our key contacts (the association members who act as liaisons with a particular senator or representative). We have asked these key contacts, as well as state restaurant association members, to ask their legislators to back repeal. And we are asking all members to write their representatives urging cosponsorship of the repeal legislation.

We hope that the efforts of our liaisons, a grassroots letter-writing campaign by members and the background paper for an information campaign will encourage members of Congress to join us in our repeal efforts.

ADA makes its way through Congress

The Americans with Disabilities Act (ADA) continues to make its way through Congress. Association lobbyists are still trying to make necessary changes in the bill that is designed to guarantee rights to disabled persons as customers and as employees.

New current-issues report on labor market

Foodservice Employers and the Labor Market is the title of a new current-issues report available in mid-May. This publication will present the results of a Gallup survey that asked foodservice managers how they are responding to the tight labor market. The report also contains a detailed demographic profile of today's employee. The publication will be sent to key association members. Others can order it by calling 1-800-424-5156 or (202) 331-5900.

Welcome, new members

Welcome to the 122 new members who joined the National Restaurant Association last month. And a special welcome to the approximately 500 members of the Georgia Restaurant Association who also joined our ranks. Your commitment to the association will further strengthen our unified effort to represent the foodservice industry.

I'm looking forward to seeing you at the Show. Don't forget to bring your special Show admission card—a regular association membership card will not be enough for admittance to the Show this year.

Sincerely,

Bud Rusitzky

Harris H. "Bud" Rusitzky
President and Chairman of the Board

RESTAURANTS USA

COVER STORY: SURVIVING THE FRANCHISE SHAKEOUT

15 Could there be a rumble of trouble in the franchise sector? Increasing competition and the ever-changing marketplace are forcing the segment's players to adopt new strategies in their quest for customers and profits.

The C.H.I.C.K.E.N. Club helps kids fight drugs.

SPECIALS

12 Operators active in the war against drugs
Continuing with ***Restaurants USA's*** "Restaurants in the Community" series is this report on restaurateurs who have charged to the front lines in the battle against drugs.

18 Viewpoint—restaurant revitalization
A marketing executive explains the "six Rs" for revitalizing a business.

19 Partners in promotions
Who says restaurateurs have to go it alone? Foodservice operators across the country have forged partnerships with local businesses, commodity groups and community organizations in the effort to create more business for everyone. Don't miss the guidelines on how to get started on your own cross-promotion ventures.

24 The great escape
From acupuncture to a jog in the park—restaurateurs are burning off stress through outside activities so they won't burn out on the job.

26 Helping your employees get psyched
Operators who care for their employees' emotional needs—whether through better understanding or by offering subsidized therapy—are cultivating a happy, healthy and enthusiastic workforce.

28 Menus with mama, trains, bikinis and jokes about Yogi
A judge for the 1990 Great Menu Contest comments on this year's batch of award-winning menus and describes the effort that went into choosing the winners.

Monterey Wine Festival

30 The human factor in the transition to computers
Getting employees to accept computers in the workplace involves thorough training, open communication and lots of patience. Here are some tips for making the process go smoothly.

30 Can we talk?
Getting the cash register to "talk" with the back-office PC can save a lot of accounting headaches and open up a whole new way of looking at data. But getting this communication going requires research and careful planning. Read how.

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- ☐ A taste of the gold
- ☐ Buchtenkirch-Biscardi: first woman to become U.S. master chef
- ☐ Copeland named franchising entrepreneur of the year
- ☐ Foundation awards certificate to sanitation-text translator
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Cover photo by Gary Landsman

SHORT ORDERS

National Tourism Week, May 13-19

National Tourism week is now official, thanks to President Bush, who signed into law the congressional resolution proclaiming the third week of May National Tourism Week, in celebration of the industry's social, cultural and economic contributions to the nation.

The slogan for this year's National Tourism Week—May 13 to 19—is "Tourism Works for America." This year's celebration has taken on increased meaning because tourism has become the number-one "export" in the United States, according to Commerce Department figures. In 1989, for the first time, foreign travelers spent more in the United States than did U.S. travelers to foreign countries. Visitors traveling in and through the United States spent an estimated $350 billion, much of which went to businesses in the foodservice industry.

The National Travel & Tourism Awareness Council urges you to wear red on Wednesday, May 16, to show your support for this vital industry.

An appealing ceiling

***A design "breakthrough."* Diners at Jaxx restaurant and bar, located in the Hyatt Regency Suites in Chicago, often do a double-take when they think that the ceiling above them has disappeared. Diners in this new restaurant, which opened in April, actually see a trompe de l'oeil ("trick of the eye") painting of the sky as seen through what appears to be the remains of an ancient ceiling.**

Book Corner

Tasting a taste of the gold

With the final tryouts for the 1992 Culinary Team USA taking place at the Show later this month, you may want to learn more about the team's history and the recipes its predecessors created, to international acclaim.

Taste of Gold promises both to satisfy your curiosity and to stimulate creative ideas. Published by the American Culinary Federation, it is the fourth in a series of cookbooks featuring recipes by U.S. culinary teams. This one focuses on the 1988 group, presenting more than 250 recipes as well as instructions on preparation and presentation. Of special note is the section that addresses the most common mistakes made in cold-food presentations.

In addition, *Taste of Gold* takes you behind the scenes with profiles of the 15 chefs on the 1988 national and regional U.S. culinary teams. It describes tryouts and selection, practice sessions and the steps that went into making this world-class team.

The book is filled with color photographs and is truly a keepsake edition.

TASTE OF GOLD
The Road to the World Championship
THE 1988 U.S. CULINARY TEAM COOKBOOK

To order a copy of *Taste of Gold*, write the American Culinary Federation, P.O. Box 3466, St. Augustine, FL 32085. The cost is $22.50, which includes shipping.

CORNISH GAME HENS WOODSMAN'S STYLE

1986 World Cup winner
Serves 10

Ingredients:

5 whole Cornish hens, 1½ lbs. each
½ oz. bacon, minced
¾ oz. butter
2 ozs. white mushrooms, minced
2 ozs. morels, minced
1 tspn. shallots, pared, finely chopped
¼ tspn. garlic, pared, finely minced
1 thyme stem
½ bay leaf
3 fresh sage leaves
¾ oz. Madeira wine
1 egg white
3½ ozs. heavy cream
Salt, pepper to taste

Method:

Remove legs from hens; remove all meat and trim away skin, tendons and fat. There should be about ½ lb. leg meat. Dice. Refrigerate. Remove first two joints from wing, leaving one wing joint attached to breast (breasts should be left on bone, not split). Refrigerate.

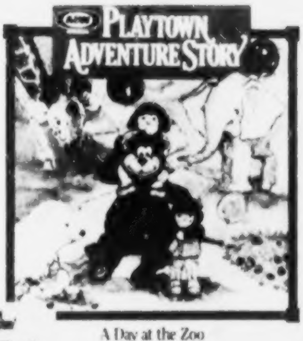
Render bacon in skillet over medium heat. Add butter and white mushrooms; saute for 2 minutes. Add shallots and garlic; saute for 2 minutes.

Add thyme, bay leaf, sage and Madeira; reduce over medium heat until nearly dry. Discard spices. Spread mixture on plate to cool.

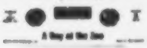
Process egg white with chilled leg meat in food processor to a paste (20 to 30 seconds). Scrape down sides of bowl. Add cream. Empty into bowl. Fold in cooled mushroom mixture. Place in a pastry bag with a plain tip. Pipe about 2 ozs. meat-mushroom mixture between skin and breast meat on each side of breast. Smooth out surface to spread filling evenly.

Season hens to taste. Bake at 350° F. for 25 minutes. To serve, remove breast with one joint of wing from ribcage. Slice breast on a slight diagonal into four slices. Fan out on warm plate. Garnish with turned root vegetables and sauteed spinach.

A&W offers storybooks and cassettes to kids



A Day at the Zoo



A&W Restaurants are "beary" excited about their new kids' premium—a customized children's read-along storybook and matching cassette tape, entitled "A Day at the Zoo." "Drawing children into fast food restaurants is continually becoming more and more competitive, and so the strategies used to attain visits must be exceptionally creative and meet the needs of children and their parents," said Jeanne Chapman, director of marketing for A&W Restaurants, Inc., headquartered in Livonia, Michigan. "We decided to focus on providing an item that would be fun for children and had a terrific value along with educational merit. We combined the unique appeal of our mascot, the Great Root Bear, with the popularity of read-along storybooks to encourage children to read and to reinforce the image of A&W Restaurants as a great place for families to eat."

Copeland named franchising entrepreneur of the year

Al Copeland, founder and chairman of the board of Popeyes Famous Fried Chicken and Biscuits, Jefferson, Louisiana, has been named the winner of the International Franchise Association's Entrepreneur of the Year Award for 1989. The award, which has been presented annually since 1982, honors an individual whose business success is matched by active and innovative community involvement.

Buchtenkirch-Biscardi: first woman U.S. master chef

Lyde Buchtenkirch-Biscardi, a Culinary Institute of America chef-instructor, became the first American woman to receive certification as a master chef after successfully completing a 10-day examination sponsored by the American Culinary Federation (ACF).

Buchtenkirch-Biscardi, a 1972 Institute graduate, received a crystal chef for having earned the most points during the testing of the eight master-chef candidates.

The master-chef examination is one of the most challenging tests of a chef's skills, and the certification is one of the highest professional honors a chef may receive. Only 39 chefs in the United States have actually earned this certification. In order to qualify for the master-chef program, each candidate must have already attained the rank of certified executive chef, a process also administered by the ACF. The chefs are then given guidelines and materials to prepare them for the final test.

Foundation awards certificate to sanitation text translator

Sanitation in Chinese. **Paul Martin, director of educational programs for the National Restaurant Association Educational Foundation, presents a certificate of appreciation to Mary Chan Troken for translating the *Applied Foodservice Sanitation* textbook into Chinese. Also pictured in Chicago's Chinatown are Chinese restaurateurs George Eng (left), owner of Gin's Chop Suey, who is currently taking the Chinese sanitation recertification course, and Allen Lee, owner of King Wah Restaurant and president of Chicago's Chinese Chamber of Commerce. The translation was sponsored by Kikkoman International.**

Valley folks mount up for Easter Seals

Ride 'em, cowboys! **There were plenty of carrots and an abundance of pushing and pulling during the first Pointe Resorts Donkey Races at Aunt Chilada's restaurant at The Pointe on South Mountain. In a fund-raising event for the Arizona Easter Seal Society, Phoenix residents were invited to don cowboy garb and race the Valley's most popular radio, newspaper and television personalities on some of the most stubborn donkeys in the West. Forty-five four-person teams competed in this 33-heat, double-elimination tournament. Winners received an assortment of prizes.**

Vie de France launches sous vide line

Vie de France Corporation is branching out into sous vide. On April 23 the company launched its sous vide product line at the opening of a new plant in Alexandria, Virginia. The 30,000-square-foot facility is designed to accommodate the creation, packaging and delivery of sous vide meal items, including entrees, side dishes, sauces and garnishes. The plant will be able to produce up to 70,000 meals a day.

Sous vide, a method of food preparation whereby fresh food is vacuum-packed, slow-cooked and then refrigerated or frozen until ready for reheating and serving, was introduced in France in the early 1970s. Vie de France began researching and perfecting sous vide technology in 1982, in conjunction with the Societe Scientifique d'Hygiene Alimentaire (SSHA), a division of the French government responsible for the research, technology and quality control of food development. The Vie de France system is the synthesis of SSHA's research and development and continuing sous vide research at Virginia Tech.

All equipment at the Alexandria facility is computer-monitored, and the plant maintains aseptic conditions. Its advanced safety and quality-control procedures include critical control-point analyses, as well as strict hygienic controls, extending from within the plant to its distribution network. In addition, the plant's manager of operations, quality-control manager and chef of production all received at least two years training at the SSHA or at Vie de France's sister company, Nouvelle Carte, which has been producing sous vide products for seven years.

The Vie de France Sous Vide System will be introduced at the National Restaurant Association's Restaurant/Hotel-Motel Show.

Tastings highlight Monterey Wine Festival

Participants flexed their minds as well as their tongues at the festival's 14 educational programs, which covered the latest production, marketing and serving techniques.

The 14th annual wine spectacular, sponsored by the National Restaurant Association, featured 900 wines from 213 wineries.

Andrew McLauchlin

$3,350 for a bottle of wine? For Ted Balestreri, co-owner of the Sardine Factory in Monterey, it was not only an opportunity to contribute to the Andre Tchelistcheff Scholarship Fund, it was also an opportunity to add "one of the greatest wines of our time" to his famous collection.

Who says learning can't be fun? Not the 1,300 restaurateurs, wine makers and wine enthusiasts who flocked to Monterey, California, March 18–20 for the 1990 Monterey Wine Festival.

Wayne Belding, owner of the Boulder Wine Merchant, a wine specialty shop in Boulder, Colorado, attained the highest level of wine expertise by earning the title Master Sommelier. There are some 50 Master Sommeliers worldwide.

WHAT'S COOKIN'?

Aspen, Colorado

American alpine cooking

Chef Richard Chamberlain wanted to try something different in creating a menu for the restaurant at the Little Nell, a 93-room luxury ski resort in Aspen, Colorado. He may have ended up creating a new cuisine, which he calls "American Alpine Cooking."

Chamberlain came to Aspen from Dallas, and the first change he noted was the altitude. "I knew little about high-altitude cooking," says Chamberlain, "so I went to the public library and researched food and cooking techniques used in such mountainous areas as the Rockies, the Smoky Mountains and the Alps." Chamberlain adjusted easily to the changes in cooking times and the amount of yeast used, but he is challenged by the dryness of the air.

"We have to concentrate on methods that will keep things moist, so we look for alternatives to roasting," Chamberlain explains. "We started smoking our meats; and now we're braising them, too, in vegetables, beer, wine and various marinades. It's amazing the way the meats pick up the flavor."

Part of the creation of Chamberlain's new cuisine is the use of foods indigenous to the hotel's location at the base of Aspen Mountain. He relies on pheasant, trout, quail and salmon to add a regional touch to the menu. "For smoking, we use woods native to the area. There are quite a few orchards around here, so we use cherry wood and apple wood. They give meats a pleasingly sweet flavor," says Chamberlain.

Jessup, Maryland

Fine dining behind bars

It's an unlikely setting for white tablecloth dining: the maximum security Patuxent Institution in Jessup, Maryland. But at a recent Saturday lunch, 15 inmates being trained as chefs prepared and served their first meal to a small group, including visiting families and friends.

"Everything was to the standards of a white tablecloth restaurant," says Judith Knapp, education director of the Maryland & Washington Restaurant Culinary Apprenticeship Committee, which oversees the program. Knapp was especially pleased with a consomme she described as "better than many I've had in area restaurants."

The Patuxent chef training program is designed to offer inmates a sellable skill they can employ after being released. The program is carried out in conjunction with Howard Community College, the Restaurant Association of Maryland and the American Culinary Federation. "The chef-certification program gives inmates a chance to enter an industry that's still growing," says Knapp.

Imparting the skills of a chef to an inmate is no small task. Many of Patuxent's residents are from disadvantaged backgrounds and have poorly developed reading skills. But Knapp believes that foodservice offers them an opportunity to shine anyway. "They are experiential learners who may not have done well in an academic setting," she notes.

Knapp doesn't expect the program's participants to leap from inmate status to chef stardom immediately. "I don't look for any of them to walk out and be a head chef," says Knapp, "but they could serve as excellent backup chefs." One skill they may have to refine is food-cost control. "I was amazed at the size of the portions they served," says Knapp.

Chicago, Illinois

No bad seats

"We're sort of the Hard Rock Cafe in reverse," says Marvin Rice, describing the concept of Boogies Diner in Chicago. With well over half its revenues coming from clothing sales and the remainder from food, Boogies Diner is capitalizing on America's love of trendy sportswear and diner food by integrating a retail clothing store and diner under one roof.

As vice president of store design and construction, Marvin S. Rice is especially proud of the award Boogies Diner will pick up this month: a Pyramid Award from *MONITOR* magazine in the category of new restaurant design. The 6,600-square-foot lower level is devoted entirely to clothing, and the 2,400-square-foot mezzanine diner overlooks the retail area, allowing patrons to shop subliminally as they munch on traditional diner fare.

"The upstairs diner area is set back, so that people can get the energy of the area down below," says Rice. "There are no bad seats, and the whole concept is geared toward having fun."

Other highlights of the Boogies design are its 25-foot-high ceiling and colorful floors. "The high ceiling really takes your eyes up to the mezzanine level," says Rice. "The floor colors are bright, with a lot of punch."

—*Paul Moomaw*

FEEDBACK

The challenge of rebuilding after a fire

Dear Editor:
In January 1989 my restaurant, a 33-year-old landmark and favorite stop for motorists along U.S. Highway 30, was destroyed in a fire. Fire marshals traced the cause to smokers' carelessness in a basement laundry room.

After a year of planning, designing, replanning, permit gathering and building, the restaurant is about ready to reopen.

When Hump's burned a year ago, we, the owners, weren't the only ones who felt the loss. The Kiwanis Club lost its meeting room and some of the club's equipment, and the Fourth of July committee lost the queen's coronation robe. To the town of 1,650 between Portland and the Oregon coast, this family-owned restaurant was the hub for coffee klatches and business meetings.

We learned from our loss and through the process of rebuilding. Here are a few hints we'd like to share with other restaurant owners:

1. Be careful what you keep at work. Hundreds of recipes and records burned. If you keep those at work, keep copies on a computer disk somewhere off premises. We had to rely on the memories of employees to reconstruct recipes and procedures.

2. Keep up-to-date insurance policies and a written and photo inventory. We spent weeks outlining 33 years of equipment and paraphernalia. One year later we are still remembering lost items. Business-interruption insurance is mandatory. Losing a business to fire doesn't mean that there won't be bills associated with the business that isn't there, such as insurance, advertising and licenses. And these are not included in the rebuild costs!

3. When rebuilding, encourage and listen to customer suggestions. Two of the most important features for the regulars at Hump's were a horseshoe-shaped counter in the coffee shop and a dining area overlooking the Clatskanie River.

4. Find a contractor who cares about the community and cares about his work. The original Hump's, a small drive-up candy and ice cream shop, was constructed by F.C. Jones Construction. We used the same company to rebuild.

5. Keep a clip file of stories, photos and notes from customers. I started a scrapbook after the fire. Customers enjoy looking at before-and-after pictures, plus reviewing the stages of construction.

6. Talk to the media. It's a way to keep customers informed.

7. Spend time working with staff, who have lost their jobs overnight. Communicate regularly with them and tell them what is happening. And give them a chance to work for you again. We were able to keep eight people because we offered them jobs at our second restaurant, The Conestoga.

—Pam Sellix,
Hump's Restaurant,
Clatskanie, Oregon

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*Readers are invited to comment on industry issues, **Restaurants USA** articles and association activities. Send your opinions to Feedback, **Restaurants USA,** 1200 Seventeenth St., N.W., Washington DC 20036-3097. Submissions may be edited for length.*

Association pushes to repeal FICA tax on tips

Lobbyists believe now is the best time for restaurateurs to press for repeal of the FICA tax.

The National Restaurant Association has mounted an all-out campaign to get Congress to repeal a 1988 law requiring restaurateurs to pay Social Security (FICA) taxes on all the tips their employees report.

"The bottom line is that the FICA tax on tips is putting the small restaurateur out of business," says Michael Greenfield, of Michael's Seafood and Steak Tavern in Ludlow, Vermont. Greenfield, who employs 25 workers, estimates that the 1988 FICA law has increased his payroll tax burden approximately $10,000 a year, lopping a sizable piece off his already thin 3 to 5 percent profit margin.

Tax burdens restaurateurs

"This tax takes away a large chunk of money that should be going back into the business to increase sales and open up new jobs," says Greenfield.

Greenfield says the higher FICA taxes "have whittled profits down to the point where the money simply isn't there to share" for the restaurant's employee profit-sharing program.

Greenfield is not alone. Thousands of other restaurateurs have also been hit hard over the past two years by higher FICA taxes for tipped workers, paying out thousands of dollars in increased payroll taxes while putting renovations, equipment purchases and new hiring on hold.

Before 1988, employers paid FICA taxes on cash wages and any tip credit taken as authorized by the federal Fair Labor Standards Act, an arrangement that had been in effect since 1965, when Congress first debated how to tax tip income.

A payroll tax on nonpayroll wages

"I think it is patently unfair to target the hospitality industry, in which tip income is most prevalent, for purposes of collecting new tax revenues," says Sen. Rudy

How to do your part

If you would like to do your part to repeal the FICA tax on tips, write your elected representatives and ask them to cosponsor H.R. 446 and S. 1815. Explain that:

1. The increased FICA tax on tips is a big burden on small businesses. Provide specific examples of how the law has hurt your business.

2. Tips are not wages. Point out that it is unfair to charge payroll taxes on nonpayroll income.

3. Federal laws are inconsistent. Point out that the FICA tax counts all tips as wages while federal minimum-wage law only allows a 45 percent (50 percent as of April 1, 1991) tip credit.

4. Increasing Social Security taxes is an artificial way to balance the budget.

Address letters to: U.S. House of Representatives, Washington DC 20515, or U.S. Senate, Washington DC 20510.

WASHINGTON REPORT

"I think it is patently unfair to target the hospitality industry, in which tip income is most prevalent, for purposes of collecting new tax revenues," says Sen. Rudy Boschwitz (R-MN), who has introduced a bill to repeal the FICA tax on tips.

Boschwitz (R-MN), who has introduced a bill to repeal the FICA tax on tips.

Sen. Boschwitz's bill, S. 1815, has garnered five cosponsors; companion legislation introduced in the House by Rep. Hank Brown (R-CO), H.R. 446, has attracted 87 cosponsors.

Boschwitz and Brown argue that it is unfair to impose payroll taxes on nonpayroll dollars. Boschwitz further notes that the tax "targets a class of businesses that operate on very tight margins: small, independent operators."

Bill Latham, owner of Amerigo, an Italian restaurant in Jackson, Mississippi, points to another inequity: While tax law requires employers to pay FICA taxes on all tips reported by employees, minimum-wage law doesn't allow employers to credit tips against 100 percent of their minimum-wage obligations. "Congress tells me that all tips are wages for payroll tax purposes, but then it tells me that all tips aren't wages when I figure out the minimum wage. They can't have it both ways," says Latham.

Mike Greenfield, who employs 25 workers, estimates that the 1988 FICA law has increased his payroll tax burden approximately $10,000 a year, lopping a sizable piece off his already thin 3 to 5 percent profit margin.

Time is right for repeal

The National Restaurant Association is now trying to line up more cosponsors for S. 1815 and H.R. 446, in order to convince Capitol Hill leaders to schedule action on the bills.

Although revenue-losing proposals often get a chilly reception in Congress, National Restaurant Association lobbyists believe now is the best time for restaurateurs to press for repeal of the FICA tax.

At center stage is a controversy brewing in Congress over the budget gimmickry that allows lawmakers to use surpluses in the Social Security Trust Fund to make the federal budget deficit appear smaller.

That accounting provision fueled the FICA change, passed by Congress late in 1987. Despite relentless opposition from restaurateurs, lawmakers voted to increase FICA taxes on tips as part of a last-minute effort to balance 1988 budget sheets—even though none of the revenues actually reduce the deficit and even though the extra revenues do not increase the retirement benefits of tipped workers.

Now many members of Congress, led by Sen. Daniel Patrick Moynihan (D-NY), feel that Congress is misleading the country by using large trust-fund surpluses to mask the deficit's actual size. They argue that payroll taxes should be reduced to cut the size of the surplus—or that Congress should be prohibited from using trust-fund surpluses to offset the deficit.

Grassroots action critical

"In a year when the budget is extremely tight, a proposal that loses money will be that much more difficult to sell. Grassroots support from National Restaurant Association members is vital to the success of any repeal effort," says Brown.

—Andrew McLaughlin
—Denise Roach

DC ROUNDUP

☐ **GAO report finds sanctions cause bias.** A late March report from Congress's General Accounting Office claims that by penalizing employers who hire illegal workers, the 1986 Immigration Reform and Control Act (IRCA) has caused "widespread discrimination" against job applicants who look or sound foreign.

GAO surveyed more than 9,400 employers and found that 19 percent discriminated against workers on the basis of their national origin or citizenship status.

Although several members of Congress immediately introduced measures to repeal employer sanctions, lawmakers are likely to opt to strengthen IRCA's antidiscrimination provisions, simplify the paperwork used to verify a worker's eligibility and force the government to do a better job educating employers about IRCA.

☐ **Child-labor crackdown yields 11,000 violations.** The U.S. Department of Labor (DOL) announced last month that its investigators uncovered at least 11,000 violations of child-labor laws during a three-day crackdown in March.

DOL, which held a press conference to release the names of employers charged with violations, assessed $2.9 million in penalties as a result of the three-day "Operation Child Watch," far surpassing the $1.5 million assessed for all of 1989.

Labor Secretary Elizabeth Dole cautioned employers that the agency intends to continue its more rigorous enforcement of child-labor laws, hoping to stem the tide of increasing violations.

☐ **DOL releases new wage poster.** Keeping up with the changes in federal minimum-wage law that took effect April 1, DOL released a new version of the minimum-wage poster last month that all employers are required to hang in their workplaces.

The poster describes the higher minimum wage, the new training wage and other requirements of federal wage law. For your copy, contact DOL in Washington DC at (202) 523-8441 or DOL's nearest wage and hour office, listed under U.S. Government, Labor Department, in your telephone directory.

—Denise Roach

Restaurants in the community

OPERATORS ON ACTIVE DUTY IN THE WAR AGAINST DRUGS

The lives these restaurateurs have helped rebuild, or keep straight, remind us that there is no such thing as a "minor" victory in the war on drugs.

Danazar Dinosaur helps Brady Keys explain the dangers of drugs and the importance of happy, healthy living.

by Joan E. Herlong

The battle against drugs is moving from city streets and depressed neighborhoods into the kitchens of America. Restaurateurs in every part of this country are picking up and distributing weapons in the fight—not guns, but education and financial support—and a contagious sense of personal urgency and commitment.

Restaurants USA spoke with several of these restaurateurs on "active duty." Their successes and enthusiasm are an inspiring reminder: The casualties of drug abuse involve more than just dollars and cents.

"Keys" to keeping kids straight from the start

Brady Keys, Jr., owner of several Burger King franchises in the Detroit area and several Kentucky Fried Chicken franchises in the South, has been doing community work with children and youth for more than 20 years, because he believes you cannot have a healthy business without a healthy community.

Keys is "a natural" for such work; he is a walking role model. Although he grew up in a poor neighborhood, Keys played pro football, became a successful businessman, and is now the second-largest black employer in the Detroit area.

Maxine Willis has been involved in drug education and prevention for about 15 years and founded the nonprofit Beginning Alcohol and Addictions Basic Education Studies (BABES) program for children between the ages of three and 11. In November 1989 Keys joined forces with Maxine Willis to establish "Kids Enjoy Yourselves . . . Without Drugs," otherwise known as "K.E.Y.S."

"The K.E.Y.S. program is not just drug prevention. It's not enough to tell kids to say 'no' to drugs; you have to give them something to say 'yes' to, and that includes career options," explains Willis. K.E.Y.S. uses a variety of media, including a video, brochures for teachers and parents, storybooks and music to "plant the seeds for happy and healthy living."

The K.E.Y.S. program also uses puppets to help children understand the dangers of drugs. The K.E.Y.S. puppets are lovable, huggable characters designed to help children develop good health habits and understand the dangers and effects of substance abuse; they include Zack the Lion, who helps children understand how to recognize and handle peer pressure; Renny the Bear, who helps them express their feelings; Sherie the Elephant, who helps children understand that they are special and unique; and Danszar Dinosaur, who helps them understand the importance of happy, healthy living and the dangers of drugs.

Both Willis and Keys emphasize that the research component of the K.E.Y.S. program is critically important. Willis points out that "We are research-driven because it is vital to reaching children effectively. Our program is not based on what we feel they should have, but what young people tell us stimulates and interests them. It is ever-evolving, to meet their constantly changing demands."

K.E.Y.S. targets children in preschool through the elementary grades, with special focus on three to six-year-olds. Keys explains the reason for working with preschool kids in particular: "We are losing an entire generation of black folks to drugs. Boys as young as five years old are delivering drugs for dealers. I've had to start hiring 14-year-olds in my restaurants to get them before they get into drugs, and I'm finding even with 14-year-olds it can be too late."

Principally financed by Keys himself, K.E.Y.S. is actively seeking outside funding. "The demand has got us running crazy. We have already worked in five states, and we are looking to go nationwide with this, absolutely," says Keys.

Keys has recruited his own franchise managers to help spread the K.E.Y.S. program, but the whole point behind K.E.Y.S., say its founders, is to provide the tools for everyone who wants to become active in drug prevention—restaurateurs, small business owners, clergy, teachers, parents. As Keys relates, "I told Maxine I want to develop a program for every person who wants to join the fight against drugs. We are trying to stay one step ahead of the drug problem, and to do that we've got to multiply ourselves and spread this [K.E.Y.S.] program as far as it can go."

Anyone interested in bringing K.E.Y.S. to his or her community can contact K.E.Y.S., 23828 W. 7 Mile Road, Detroit, Michigan 48219, or phone (313) 531-4966.

Putting peer pressure to work against drugs

Larry Forehand, president of the 36-unit chain, Casa Ole Mexican Restaurants, in Houston, Texas, is all for making kids "chicken out" when it comes to peer pressure and drug use—especially if it's through the guidance of the "C.H.I.C.K.E.N. Club," founded by the local Optimist Club. An acronym for "Cool, Honest, Intelligent, Clear-headed, Keen, Enthusiastic and Non-interested in drugs or alcohol," the "Chicken Club" works to use peer pressure in a positive way to keep fourth and fifth-graders from being lured into drug use.

For $5, students become members and get a "Chicken Club" T-shirt they are required to wear to school every Friday. Forehand originally became involved in 1988 when the Optimist Club came to him for help. "A lot of kids couldn't afford the $5 fee," recalls Forehand. "So we donated $5,000 to sponsor memberships for low-income kids."

In addition to providing memberships for children, Forehand's restaurants actively recognize and support Chicken Club members in a personal way. Forehand explains, "One Friday every month, any child wearing his or her Chicken Club T-shirt gets a free Casa Ole child's-plate meal. Plus, anytime during the month of February, T-shirt-wearers receive a free child's plate."

Forehand says he is involved with the Chicken Club because "drugs are the biggest problem we face right now, so it just feels good to be doing something about it. We have received a very positive response from our customers; quite a few parents have thanked us for our involvement. There was one single mother of three kids who couldn't have afforded the Club without our donation, and she called

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Joan E. Herlong is a freelance writer in Greenville, South Carolina.

to thank us for making that possible for her kids. It's nice to know you can make a difference with someone."

"Zero tolerance" in the workplace

Edward Davidian, president of Country Manor Family Restaurants, based in North Canton, Ohio, has taken the concept of "zero tolerance" for drug abuse to heart in running his 10 units in the area. However, Davidian goes beyond saying "no" to drugs in his restaurants; he also encourages students working at Country Manor to say "yes" to education through his Drug and Education Program instated last summer.

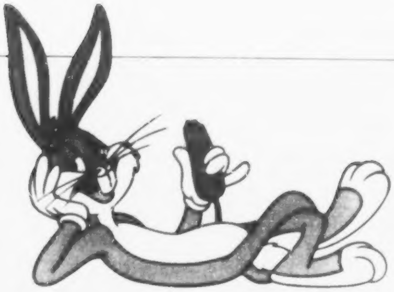
In short, Country Manor's program requires all applicants to pass a drug screening before being accepted for employment. Once hired, all employees agree to remain drug-free during their employment, verified through random drug screenings. Country Manor also requires good grades of all its student employees: a minimum C average and a maximum of 16 work hours per week to allow time for study. Students who earn higher grades earn higher wages as well. Scheduling is flexible, to encourage dropouts to return to school.

Davidian emphasizes that his program is not a "witch hunt" but a way to discourage drugs and promote education. "Established employees who test positive for drugs have 90 days to seek professional help [covered by employee health benefits] and then re-test for drugs without risk to their jobs. Those who volunteer to be tested [as opposed to being singled out for random testing] and pass receive a $25 savings bond," explains Davidian. "Our goal is to hire and keep only the best. We pay well above the minimum, so our scale is higher, too. The response has been excellent. We lost a few people at first, but it has certainly stopped the influx of drug users—if there ever was one."

As an added incentive to earn good grades, Country Manor encourages high school employees to enroll in its college savings plan. If a student agrees to save at least 50 cents for every hour worked, Country Manor adds 25 cents per hour. Last year, the restaurants gave more than $6,000 to college-bound seniors. In 1990 Country Manor is working with some national suppliers to offer $2,500 to $5,000 in direct scholarships to its college-bound employees.

As a simple "service to the community," Davidian has also instituted two small anti-drug programs for customers. "Turn in a Crack House" forms are available at all Country Manor units. Patrons can fill out a card, anonymously, which is then turned over to the Star County Patrolmen's Association. "Stop Drugs Now" T-shirts and buttons are also on sale at cost at all 10 restaurants. Davidian says the "crack cards" and T-shirts "are an easy ongoing thing to do," and he reports customer reaction to the cards and T-shirts has been very supportive. ❑

Cartoon all-stars to the rescue



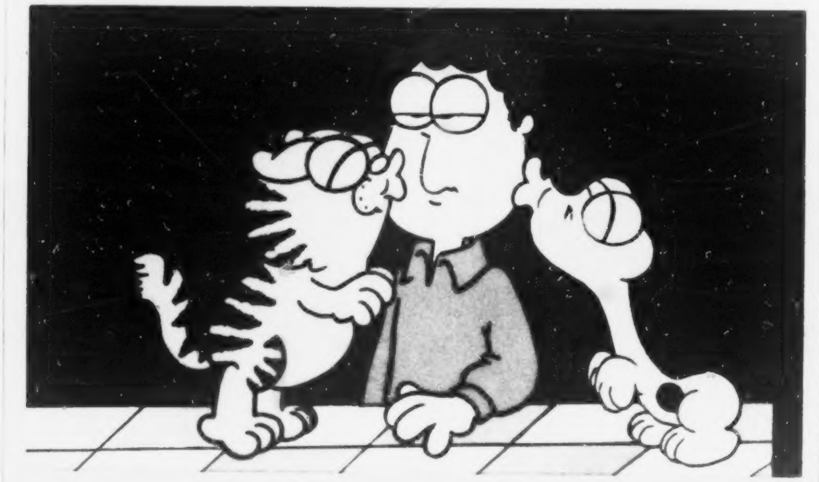
What better medium is there than television for grabbing the attention of kids to warn them of the dangers of substance abuse? None, especially when the program features an all-star lineup that includes such favorite cartoon characters as Bugs Bunny, Garfield, Teenage Mutant Ninja Turtles and Spiderman. The unprecedented anti-drug special, which aired on Saturday, April 21, on all major television stations was a joint effort by McDonald's restaurants and the Academy of Television Arts and Sciences (ATAS).

Ed Rensi, president and chief operations officer of McDonald's USA, says, "As a company that has had a longstanding relationship with children, we feel it's our responsibility to help them recognize and understand the dangers of drug and alcohol abuse."

The simulcast ensured that the special reached more than 20 million children between the ages of five and 11, the age at which research indicates children "are most susceptible." According to the National Institute on Drug Abuse, the average age of first drug use is just 13.

Ken Barun, executive director of Ronald McDonald Children's Charities, adds that reaching children is just part of the purpose of the special: "Our hope is that families will watch the program together and that parents will use this opportunity to talk with their kids about drugs."

As a followup to the broadcast, more than 250,000 videocassettes are being distributed to schools, video outlets and libraries for free rental throughout North America. Schools also received free teachers' guides and student handouts.



SURVIVING THE FRANCHISE SHAKEOUT

by Paul Moomaw

The franchise sector is in transition. The long-predicted restaurant industry shakeout has arrived or is on the way, according to many analysts. Lower sales-growth figures lead to nervousness among chain executives and finger-pointing by both franchisors and franchisees. A recent spate of activity by restaurant franchises underscores the point: Marriott sold its Roy Rogers chain to Hardee's. Del Taco/Naugles, the nation's second-largest Mexican fast food chain, changed owners for the second time in two years. Arby's fired its CEO, who was promptly hired to head Shoney's. And Kentucky Fried Chicken's attempts at updating franchise agreements were met with legal opposition from franchisees.

The battle for market share has heated to the boiling point. Inefficiencies that were tolerated during the go-go years of the '70s and '80s are no longer allowed. "The sheer demand covered up a lot of mistakes in those days," says Art Savard, senior principal at Franchise Systems Corporation in West Palm Beach, Florida. Savard describes the franchise sector in terms of a life cycle. First, there were scattered and fragmented players in the '50s and '60s. Then came the wave of demand that led to scores of new entries into franchising in the '70s and '80s. Now, the industry has reached a phase of maturation and consolidation. Old chains are trying to bring themselves up to date, a strategy that can cause tension with long-time franchisees. New chains are trying to squeeze into the established market the only way they can—by finding a niche.

The elements of a successful restaurant franchise are well known: acquisition of high-quality restaurant sites, delivery of a consistent product at all locations and cooperation between franchisor and franchisees. However, it is a formula easier to describe than to carry out. "The key to franchise success in the '90s is building a strong franchise system," says Janet Lowder, manager of restaurant consulting at Laventhol & Horwath in Los Angeles.

With the happy days of automatic double-digit sales increases over, how can franchises avoid conflict and stay healthy during this period of maturation? Six trends seem to be emerging, reflecting the different strategies companies are using to grow out of this tense shakeout phase.

TREND #1—NICHE MARKETING

This will be the most exciting trend to watch in coming years, as new entrants seek to become the recognized experts at filling the needs of a new market. "There will always be room for niche marketers," says Patrick Boroian, president of the franchise development firm Francorp, Inc., in Olympia Fields, Illinois. "Tom Monaghan proved that with pizza at Domino's. He was a niche marketer with a point of difference: a 30-minute guarantee. We're in an era in which McDonald's is becoming a full-service, full-menu restaurant. Even it has become vulnerable to niche players."

Indeed, Rally's 200-unit hamburger chain, based in Louisville, Kentucky, appears to be taking off with a new variation on an old concept. Rally's restaurants are drive-thru-only hamburger units offering a limited menu and quick service at low prices. "Rally's has franchisees interested because of the low start-up capital requirement," says Janet Lowder. With its small building size (no seating) and limited menu, a Rally's restaurant can be opened for only 40 percent of the cost of a McDonald's restaurant.

Playing up to the modern consumer's interest in healthy food, the Soup Exchange in Southern California is "growing like wildfire," according to Boroian. "It's the right concept at the right time: high fiber, low sodium and healthy."

Along with niche marketing goes the concept of regional marketing. Using regional marketing techniques, chains with traditional menus can seek to differentiate themselves and find a niche. For the 25-unit Two Pesos chain, based in Houston, regional marketing has become ever more important.

"You can change your product mix as a regional marketing tool," says Two Pesos director and former president Thomas Dietrich. "An example for Two Pesos is the chimichanga, which is a labor-intensive product. It is expensive to make, but very popular in our Phoenix restaurant, where we make and sell a lot of them. In

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Paul Moomaw is a communications specialist at the National Restaurant Association

Houston, we don't serve them because there's not such a demand for them."

As established chains in traditional segments see saturation take a bite out of sales, niche marketers will turn the latest lifestyle and regional trends into successful franchises.

TREND #2—SHORT-TERM MARKETING TECHNIQUES

Short-term marketing techniques include heavy discounting and advertising, as opposed to changes in food presentation and service. The goal is to gain market share in this time of savage competition.

Franchises in the '60s, '70s and early '80s grew in market share by stealing customers away from independents; now they must take customers away from one another. The quickest way to do this is through discounting, although common wisdom holds that discounting erodes the perceived value of menus in the long run. "Unless you're the low-cost provider," says Art Savard, "you probably can't win a discount war." Savard, a former marketing executive with Coca-Cola, would like to see greater emphasis on in-store marketing and service.

Among the large chains, television advertising has been and will continue to be a major marketing focus. Television allows chains to sell customers a lifestyle as well as a food product. Recent advertising and marketing efforts by established chains have often focused on children. This recent focus may be an attempt at steering the families of baby-boom parents toward a particular restaurant. Or it may just be a tip of the hat to McDonald's and its marketing success with children.

Couponing and product giveaways are expensive marketing techniques sometimes decried by analysts as being counterproductive in the long run. Nevertheless, the largest industry players probably have a lot to gain from short-term marketing strategies. Discount pricing hurts firms with deep pockets much less than it does smaller competitors who may not be able to last through a shakeout period.

TREND #3—MULTI-CONCEPT FRANCHISE COMPANIES

"The company to watch in the future is PepsiCo," says Rob Ross, an associate at Technomic, Inc., a foodservice consulting firm in Chicago. Indeed, PepsiCo has already built a mammoth restaurant empire of more than 19,000 outlets in a short amount of time through its purchase of Kentucky Fried Chicken, Pizza Hut and Taco Bell. Pizza Hut and Taco Bell both experienced explosive sales increases in 1989, reflecting PepsiCo's tremendous marketing power.

PepsiCo's restaurant strategy is built on diversification; with three distinct segment leaders on its corporate plate, the company is not hostage to the current hot segment. In fact, PepsiCo is looking into linking the three huge chains into a hybrid restaurant concept. In Cleveland, an all-PepsiCo food court has been opened with separate stations for Pizza Hut, Taco Bell and Kentucky Fried Chicken.

The Cleveland experiment belongs to Pizza Hut, but the arrangement is simplified by the waiver of licensing and royalty fees by KFC and Taco Bell. In return, the sister companies have the right to conduct similar experiments. Taco Bell has its own synthesized version of an all-PepsiCo restaurant in Columbus, Ohio. It features all three concepts in a merged-menu, single-counter format.

The benefits of these hybrids could be numerous. Blending the concepts can lead to more efficient usage of seating capacity by balancing a restaurant with a strong lunch crowd with one that is a strong dinner draw. Labor savings may result, too. At the Cleveland food court, hourly workers are being cross-trained for work at all three concepts.

PepsiCo's strategy may suggest that the franchise sector has reached the consolidation phase in recent years. "With its various restaurant concepts, PepsiCo is able to move its resources around so that it has the best chance to win the battle for market share," says Savard. By slashing prices at its Taco Bell units and boosting volume, for example, PepsiCo put the squeeze on other players in the fragmented Mexican segment in 1989.

TREND #4—STRATEGIC ACQUISITIONS AND SALES

Through the strategic acquisition of Marriott's Roy Rogers restaurant chain, Hardee's accomplished with one stroke of the pen what would have taken years otherwise. By adding 600 stores, mainly in the Northeast, Hardee's is making it plain that it intends to survive the burger wars. Parent company Imasco Ltd. provided the financial muscle to pull off the deal. Hardee's not only gains several hundred stores as operators, but it also loses an equal number of competitors.

PepsiCo, too, has made its share of strategic acquisitions. Its new strategy for Pizza Hut, for example, is built around rapid expansion of takeout/delivery-only units that will take on Domino's head-to-head. The company recently purchased more than 200 restaurant sites from a donut

Eric Westbrook

chain. These sites will be converted to Pizza Hut takeout/delivery stores.

Look for further consolidation in coming years as cash-rich companies look to diversify within the restaurant segment or increase the clout of their marketing dollars by making strategic acquisitions. These companies will be out to prove that bigger is better. Swapping small restaurant chains like baseball cards will be part of that strategy.

TREND #5—UNIQUE OWNERSHIP ARRANGEMENTS

At Howard Johnson's restaurants, you aren't likely to see any squabbling between franchisor and franchisees in the near future. Why? Because the two parties are one and the same, thereby sidestepping some of the tension that is inherent in the franchise structure. "I don't know of another arrangement like it," says Arthur Barrett, president of Franchise Associates, Inc., in South Weymouth, Massachusetts, the franchisee-owned company that is overseeing Howard Johnson's restaurant comeback.

Weary of the absentee owners and ownership changes that crippled Howard Johnson's in the 1980s, a group of successful franchisees (some of them third-generation operators) grouped together and formed Franchise Associates in 1986 with a commitment to rejuvenating the Howard Johnson's restaurant concept. Catering to seniors and families, the new version of Howard Johnson's seeks to attract a '90s audience with updated decor, a new menu and a new logo.

Under the new franchise agreement, franchisees pay royalties of only 1.5 percent of sales, "the lowest I know of in the industry," says Barrett. He adds with a laugh, "The franchisees are setting it themselves, of course."

Even more recently, Domino's Pizza announced that it was studying the possibility of an employee stock ownership plan (ESOP), a program under which the company's employees would acquire its stock. Like the Howard Johnson's arrangement, this ownership plan would bring performance incentives even closer to unit operators, as their success would ride on that of the chain's.

TREND #6—GLOBAL EXPANSION

This well-documented form of franchise expansion will continue to be a major source of growth, particularly for chains with a trademark name that can attract customers anywhere in the world. With the domestic franchise market increasingly competitive, a more level playing field can be found in other countries.

Fully 30 percent of McDonald's revenues now comes from overseas units, and its expansion plans are not expected to slow anytime soon. "McDonald's is far and away the market-share leader in Europe, compared with other chains," says Michael Mueller, general partner and senior analyst at Montgomery Securities in San Francisco. Similarly, Kentucky Fried Chicken is poised for more growth, with a particular focus in Asian countries. Smaller chains, too, are infiltrating Canada, Europe and Asia, nearly always with the help of a joint-venture partner in the host country. The emergence of free-market economies in Eastern Europe may help boost the ability of American firms to franchise there in the near future. By expanding to other countries, some restaurant franchises hope to run away from the problems plaguing operators in U.S. urban locations.

Surviving the shakeout

Franchise-sector growth will continue in coming years, but not for everyone. Both sales and unit growth will be slowed at some chains as the fight for market share becomes ever more intense. Tapping into the six trends above, some franchises will roll with the hard times by finding a new niche; others will look to marketing, expansion, consolidation, acquisitions or new ownership agreements. ❑

Viewpoint

RESTAURANT REVITALIZATION

HOW TO GROW PROFITABLY AGAIN

by Barbara Cohen

Revitalization is a major restructuring of format, market positioning and business systems that repositions the restaurant to drive growth and strengthen financial performance.

All restaurant formats eventually mature: Markets become saturated; customer preferences change; new restaurants take business from established ones. As the restaurant format matures, sales growth slows, margins decline, cost pressures mount and the bottom line suffers. Many restaurant executives initially respond to these developments by making larger investments in marketing and promotion, but more often than not they find themselves buying a larger share of a diminishing market and at a declining level of profitability.

To avoid this downward spiral, the restaurant executive must select the best way to grow the corporation in a tough environment. Aggressive revitalization of the core business can be the key to success.

What is revitalization?

Revitalization is a major restructuring of format, market positioning and business systems that repositions the restaurant to drive growth and strengthen financial performance.

The key words here are "major" and "financial performance." Revitalization means much more than new chairs or a salad bar. It may well involve changing nearly every aspect of a restaurant and restaurant operations. Merely stimulating sales is not enough; the result must be much better bottom-line performance.

When to revitalize?

Revitalization is the appropriate strategy when three key conditions are in place:

☐ *The core business contains significant, leverageable strengths.* These can be tangible advantages, such as good locations or an efficient distribution network, or intangibles, such as a well-known brand name or a strong market image.

☐ An objective review of internal strengths and weaknesses—as well as an understanding of competitors and consumers—indicates that *revitalization has a good chance to succeed.*

☐ *Management is committed to its success.* Because revitalization will require integrated, simultaneous change across multiple functions, it will require cooperation and commitment of people who do not usually work together. The transition can be confusing to employees, shareholders, franchisees, the financial community, suppliers and customers. Frank, continuous communication with all of these parties is critical, as is detailed planning.

Six Rs of revitalization

There are six key dimensions to revitalization—six interrelated levers that must be pulled in concert:

1. *Refocusing* on the consumer, to ensure that menu and services give a compelling reason to eat at the restaurant. This may involve adding new items or lines or cutting back or eliminating others.

2. *Restructuring* the network to capitalize on existing value. This may include closing restaurants.

3. *Redesigning* the restaurant layout to reflect the new marketing plan, such as the size of outlets, the fixturing, etc.

4. *Revamping* the business systems to support the overall strategy. This may include making changes in the delivery system, information systems or physical distribution, or in less-tangible systems, such as organizational structure.

5. *Reaching out* to customers to raise awareness, get them in the door and encourage them to buy. This step involves advertising and public relations.

6. *Recognizing* the need for critical mass (i.e., appropriate market coverage) to achieve competitive economics and visibility in the market. Research confirms that only local market awareness is relevant to keeping a given restaurant at top-of-mind—thus the importance of having enough outlets in a given market.

The six Rs are interactive

Although many restaurants have plans to tackle some of the "Rs," most lack an overall strategic vision or roadmap to link them together. The roadmap increases the likelihood of success for a revitalization and streamlines the efforts.

Sizzler is a good example of a restaurant that is pulling the levers to revitalize its core businesses to stimulate growth and improve bottom-line performance.

When Sizzler entered the marketplace, red meat was a staple of a well-balanced diet. The restaurant's low-budget, family-oriented positioning reflected its market. But over time, Sizzler customers and their preferences changed. Consumers began to reduce their consumption of beef in an attempt to lower their cholesterol levels and lose weight.

Sizzler decided that updating the steakhouse's format was critical. The revitalization process began with a recognition of the company's two significant assets: brand-name recognition and good restaurant locations. Because Sizzler had not strayed from its core mission, management did not need to *restructure the network* by exiting less relevant businesses.

However, management did give more health-conscious consumers the meals they wanted. The product line was *refocused* to include chicken, salads and seafood. The production system was *revamped* modestly to provide the new menu.

At the same time, the dated decor was *redesigned* at significant expense, and plant-filled atriums and natural wood were used to create a brighter, more-open atmosphere that radiated health.

Sizzler also *recognized the need for critical mass* during revitalization. Confident of its strategy, Sizzler purchased and redesigned 80 units once owned by a competitor, using these locations to spearhead moves into key-growth markets.

Management *reached out* to consumers, using targeted, flexible media to communicate the message that Sizzler had what today's customers want to eat.

Sizzler's efforts in responding to customer needs and diversifying the menu have paid off; the company produced outstanding returns on net assets of five percentage points from 1987 through 1989. Now that broiled seafood and the salad bar are big sellers at most locations, Sizzler continues to experiment with new possibilities. On the drawing board are hot-appetizer, deli, brunch and dessert bars. ❑

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HOW TO STRETCH YOUR MARKETING DOLLARS AND CREATE GOODWILL

by Claire Regan

PARTNERS IN PROMOTIONS

Is it safe to assume that pizza eaters are movie fans? Or that patrons of a midscale pub and eatery enjoy traveling? Or that corporate patrons of a worksite cafeteria might be interested in high-fiber breakfast selections? It is not only safe to assume these associations, it is smart. In this day and age of tight budgets, savvy business people are looking for ways to stretch their marketing and promotional dollars. Joining forces with other businesses is one way of doing just that.

A joint or cooperative promotion involves two businesses that together promote a product or service for their mutual benefit. Joint promotions not only extend promotional dollars, they also provide the promotional partners with access to a wider market base than each would have on its own.

Pizza and cable movies

For instance, Domino's Pizza, Inc., is teaming up with Showtime Network (a cable television network) for a summer 1990 cross-promotion. "Let's face it, our advertising and promotion budgets are never as big as we would like. Through combined efforts we can reach a bigger and better audience than we could reach separately," explains Burke Cueny, director of national advertising for Domino's. As part of the Showtime tie-in, Domino's will offer a $10 rebate coupon on new Showtime or The Movie Channel subscriptions with a pizza purchase. Plus, customers may enter an on-air sweepstakes when they purchase a pizza. Concurrently, Showtime will include Domino's discount coupons in its direct-mail pieces. According to Cueny, the pairing of Domino's and Showtime is a natural. "Domino's customers are more likely than the average homeowner to subscribe to cable, and Showtime subscribers are more likely to order Domino's."

Promotions with neighborhood merchants

You do not have to be a national chain or have access to a cable-television network to benefit from cross-promotions, however. Joint promotional opportunities for independent operators abound, and many are available in a restaurant's own neighborhood. Local businesses can work together to promote products and services, distribute coupons and pool

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Claire Regan is manager/staff nutritionist at the National Restaurant Association.

Chain and independent restaurant operators are uniting with other businesses to stretch marketing dollars. Among their new promotional partners are travel agents, cable television networks, local theaters and commodity trade groups.

CRUZIN'
with California Raisins

"Cruzin' with the California Raisins" table tents were just one of the items in a merchandising packet made available by the California Raisin Advisory Board.

A joint or cooperative promotion involves two businesses that together promote a product or service for their mutual benefit.

advertising money. Sherri Van Saxon, a marketing consultant and author of the National Restaurant Association's *Promoting the Neighborhood Restaurant—A Local Store Marketing Manual,* views cross-promotions as an excellent way to increase sales and exposure in the community. "Cross-promotions are a means of getting someone else to hand out your message [to his or her customers] at no cost to you beyond the cost of printing and paper," Van Saxon explains.

One-way cross-promotions

There are two types of cross-promotions. There are one-way cross-promotions—in which another merchant distributes your coupon as an added value to his or her customers. And there are two-way cross-promotions, in which a joint promotion is offered to both your customers and your promotional partner's customers. First let's look at one-way cross-promotions, which Van Saxon believes are the best kind because the restaurateur

How to set up cross-promotions

The most important idea to remember when setting up cross-promotions is to convince your potential partners that you are offering them a valuable gift for their customers, their club members or their tenants.

Do your homework before you approach anyone. Perhaps you have just added two new low-fat, low-sodium entrees to your menu, and you want to advertise the new offerings to potential customers.

First, collect any articles you can find about the fitness and healthy-eating trends. Next, write down the calorie and nutrient information on your new items and gather any additional information you can find about consumers' preference for foods that are good for them.

Make an appointment with the owner of the health-food store around the corner, the manager of the fitness center down the block or even with the director of the local senior citizens' recreational center.

Show them your articles and talk about the increasing interest their customers or members have in restaurants that offer menu items prepared with these concerns in mind. It is not necessary that you have special items on your menu. The same approach can be used if you offer grilled fish or chicken or a variety of salads.

Once you have the potential partner's attention, explain that you wish to provide his or her customers with a special discount coupon and that the coupon will state that the discount is "compliments of" his or her store, club or center.

Tell the retailer or manager that you will pay for all the production and printing of the special coupons.

The key to success at this stage is to make each cross-promotion unique and special.

1. Fit the offer to the partner. Think about a potential partner's customer base and develop each promotion and coupon to interest those specific target customers.
2. Make the offer for a limited time only. Remember, you are trying to attract a new group of customers.
3. Only sponsor one promotion at a time. This gives you better control and allows you to tell your partner that this offer is being provided only to his or her customers.

Guidelines for one-way cross-promotions

1. If it's a small business, approach the manager or owner directly. If it's a larger business, call ahead and make an appointment.
2. Introduce yourself and explain the idea for your cross-promotion. Convince the prospective partner that you are providing a "gift" for his customers absolutely free.
3. Explain that you will pay for the printing of the coupons or fliers, so it will not cost your partner anything.
4. Explain that you will give your partner's business the credit for the special discount. Present it as an added value he or she can give customers to thank them for their business.
5. Find out your partner's average customer count for an agreed-upon time period, generally no longer than two weeks, so you can print up the right number of coupons.
6. Get a copy of the business's logo so you can design the coupon to read "Compliments of [partner's logo]."
7. It is always a good idea to give the owner or manager a free meal card or even invite him or her to lunch as a thank you for the effort. You may choose to provide the establishment's employees with a discount card or coupon in appreciation for their efforts in distributing your offer. This discount should always be greater than the discount on the coupons that the employees will be passing out to customers.

Guidelines for two-way cross-promotions

Many of the same rules in the one-way explanation apply in setting up two-way cross-promotions. However, here you are attempting to convince the prospective partner that both of you can generate more traffic by "trading" customer bases.

You should explain all of the benefits of a cross-promotion that you have already received in previous programs with other merchants. You may wish to show examples of the coupons or fliers you have used in previous efforts.

Because both of you are going to benefit, you should try to convince your prospective partner to pay for half of the production and printing costs—or a percentage—if the customer bases are uneven.

You should also advise your partner to track the number of coupons returned. If you have selected your cross-promotional partner wisely—a partner who has the same type of customers that visit your restaurant—he or she should be pleasantly surprised at the number returned in exchange for a very low investment in time and money.

—Excerpted from *Promoting the Neighborhood Restaurant—A Local Store Marketing Manual.* If you'd like to order a copy of the book, call the association's Information Services Department at 1-800-424-5156.

"I've got a better chance of going to the Super Bowl than the Steelers."
The Great Chancery Super Bowl Giveaway.
Chancery

The five-unit Chancery Pub and Restaurants in Wisconsin used this eye-catching poster of a "granny in cleats" to advertise a cross-promotion idea it arranged with a local travel agency—a contest giveaway in which the winner received an all-expense-paid trip for two to the Super Bowl.

is required to do little beyond printing a coupon that another merchant distributes.

A neighboring theater provided the perfect one-way cross-promotion partnership for Baby Routh, a 150-seat upscale restaurant in Dallas. "The Theater Three is within walking distance of the restaurant, so we met with the theater manager to explore opportunities for cross-promotions. We decided to offer discount coupons to season subscribers, redeemable during pre and post-theater periods. It has been a very successful venture for us," says Becky Murphy, director of marketing for Routh Street Investments, the partnership that manages Baby Routh. The restaurant also offered a discount to financial supporters of the Dallas Symphony. "The developers built a new performing center with cost overruns, and so they solicited donations through telemarketing. We offered a 15-percent-off coupon good on any Sunday or Monday, our slow days, to be included in mailings they sent to those who pledged. We were responsible for the printing and the cost of the discount, and the symphony did the mailing," Murphy reports.

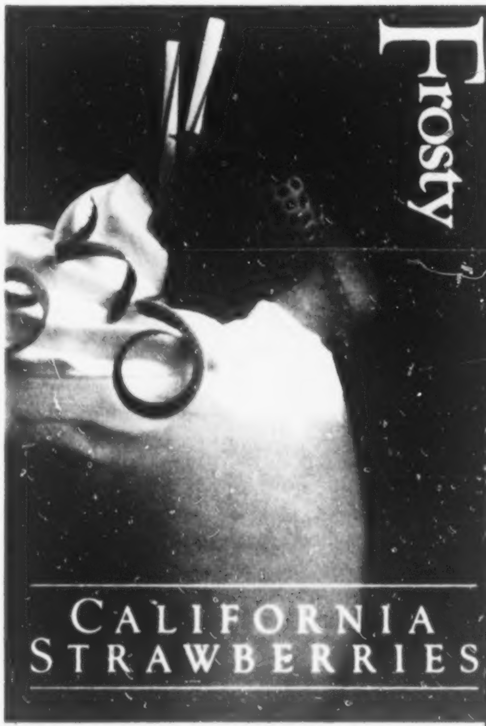
According to Sherri Van Saxon, presenting a promotion as an exclusive bonus to a promotional partner's customers is key to selling the concept. "Present it as an exclusive bonus they can offer their customers at no cost other than distribution. But put the partner's name on the materials, so their customers view the discount as a paid premium," notes Van Saxon. This not only increases the perceived value of the promotion, but it also protects the restaurant's price credibility.

Another version of a one-way cross-promotion is to encourage neighboring businesses to use your restaurant as a locator in their promotional materials. Although this may be restricted to operations with name recognition, Bill Gillespie, a co-owner of The Shore Bird Restaurant (a 160-seat destination restaurant in Princeton-by-the-Sea, California), recommends it enthusiastically. "Being used as a locator is one of the neatest promotions. A bed-and-breakfast opened up next door to us. It was first-rate and compatible with our operation, so I approached the owner and asked him to add a line in his printed materials, 'Next door to The Shore Bird Restaurant.' It increased exposure," Gillespie says.

Two-way cross-promotions

Van Saxon also recommends two-way cross-promotions, in which a restaurateur and another business exchange coupons to distribute for each other and in so doing trade customer bases. "Two-way promotions require added effort and pose a problem when the patron bases or customer counts are uneven. In this case you must decide who pays for what portion of the printing costs. But two-way promotions allow you to offer your patrons added value or a little surprise. Plus, you can generate more traffic by trading customer bases," Van Saxon adds.

In an effort to help restaurants sell strawberry items, the California Strawberry Advisory Council offers free promotional materials, such as giant crepe strawberries and this table tent, which features a delicious-looking strawberry drink.



After he established a rapport with his bed-and-breakfast neighbor, Bill Gillespie approached him with an idea for a modified version of the two-way promotion. "We developed a brochure promoting a Christmas package and mailed it to CEOs in the Bay [San Francisco] area. We suggested an overnight Christmas party for their board of directors, including dinner at The Shore Bird and overnight accommodations at the bed-and-breakfast," says Gillespie. "We split the printing costs, but we each used our own mailing lists."

Gillespie recommends maintaining control over your mailing list at all times. "Don't ever give it out; you don't need to. Hire a third party to do the mailing if you have to. You never know when the relationship will change—and if your partner has your list, he or she won't need you any longer," Gillespie warns.

Yet mailings are not a requisite for two-way cross-promotions. David Engel, marketing director for De Rosa Corp., teamed up with a local travel agency for a Super Bowl promotion in De Rosa's five-unit Chancery Pub and Restaurants located in southeastern Wisconsin. The promotion was focused around a contest giveaway in which the winner received an all-expense-paid trip for two to the Super Bowl. "The travel agency donated the trips in exchange for an opportunity to promote its cruise services. We offered a highly respected foodservice outlet and exposure to about 20,000 patrons a week. The agency displayed its services in our hospitality area (glass cases at the restaurant entrance) and used one side of our lucite table tent. We allowed a travel agent on the premises one day a week, and we trained our waitstaff to answer questions about the travel services," Engel explains.

"The Great Chancery Super Bowl Giveaway" ran the length of the professional football season, and the results were outstanding, says Engel. He reports that bar receipts increased more than 15 percent, and he attributes much of the success of the promotion to an employee incentive. "We offered another Super Bowl trip for two to the bartender with the greatest sales increases. If you can tie in an employee incentive to your promotion, it will work for you 10-fold," Engel guarantees.

Bill Holliday also offers an incentive in his cross-promotions—but it is to his promotional partners rather than to his employees. Holliday's 185-seat family restaurant, Happy Hollidays, in Westerly, Rhode Island, is located just off an interstate highway heavily traveled by tourists. Holliday makes sure the gas stations that surround him in three directions recommend his restaurant to inquiring visitors by arming them with his business card, complete with map and directions to the Happy Hollidays Restaurant. "I ask the service-station owners to sign the cards, and the customer brings it in. Once a month I have a drawing (from among the cards), and the winner gets a free dinner in appreciation for the referrals," Holliday explains. Holliday also leaves complimentary drink coupons at local hotels that do not offer food and beverage service. This attracts potential patrons who often stay for dinner, Holliday reports. He feels he gets more of a direct return using these promotional techniques than he would if he paid for an ad. "Plus, it's a personalized approach. I talk to the patrons and get to know them."

Working with commodity organizations

In addition to approaching local businesses, foodservice operators also can develop promotions in conjunction with commodity trade associations, distributors and manufacturers. These groups often are willing to work with operators who will develop a promotion around their products. Because they provide new menu ideas and a break in the monotony, product-specific promotions are particularly well received in cafeterias and other foodservice operations with a high percentage of repeat traffic. Recipes, table tents, posters and buttons are some of the materials that are available from commodity groups and distributors.

Karen Vartan, R.D., principal of MarketLink, a foodservice consulting firm in Chicago, says that distributors and commodity organizations often provide promotional materials—whether generic, semi-customized or customized. "The dry-pea-and-lentil group worked with Pegler-Sysco Food Services Company (a Lincoln, Nebraska, distributor) to develop generic promotional materials to coincide with split-pea-soup week, the second week in November. Operators who used the promotion experienced an average increase of 17 percent in all soup sales," Vartan reports.

"Large-volume independent operators or small chains qualify for a semi-customized promotion, if they're well organized. They might receive some generic materials, like posters, plus some customized materials, such as buttons or table tents," Vartan explains.

Chains with considerable volume usually have enough clout to be eligible for customized promotions. Such was the case when Marriott's Food and Services Management Division approached the California Prune Board to participate in the cancer-awareness segment of its wellness program. Amelia Catakis, Marriott's director of professional services, explains how the partnership developed. "We worked with our procurement people and we approached a combination of supporters for this project, since not all of the resources were available to us at a reasonable

Don't ever give out your mailing list; you don't need to. Hire a third party to do the mailing if you have to.

price. The California Prune Board and Quaker Oats developed recipes for our high-fiber breakfasts and provided revenues for photo shoots and other materials."

Tamsen Salvador, senior account executive at Ketchum Foodservice, which represents the California Prune Board, believes the promotion served the prune board well. "Promotion-sales results underscore the tremendous popularity of the prune items in more than 900 of Marriott's cafeterias. Bulk prune purchases increased 28 percent during the first quarter of 1989 (the initial promotion period), and some of the recipes developed for the promotion have been incorporated into the permanent menu cycle." Ketchum also represents the California Raisin Advisory Board on a generic promotion kit with the theme, "Cruzin' with California Raisins." The free-of-charge merchandising kit features recipes, serving suggestions and colorful point-of-sale materials designed to resemble a California license plate.

Cindy Butler, marketing coordinator for the Strawberry Advisory Board in Watsonville, California, points out that in addition to generic materials, most commodity boards do have some money available to assist foodservice operators with promotions. "We do research to decide where to target, and decide what segment needs our support, based on the research," Butler claims.

When you attract the type of clientele that Neiman Marcus does, you may find promotional partners seeking you out. Beverly Merritt, menu promotion and advertising coordinator for Neiman Marcus foodservice, headquartered in Dallas, has coordinated more than one successful cooperative promotion and reports that her partners "often come to us. The partners assist financially to develop printed materials and offer cash prizes as staff incentives." "Lemon Deluxe," a promotion Merritt developed with Sunkist, featured daily special menu items that incorporated lemons. Plus, restaurant patrons received gift bags that included a lemon, a juicer and recipes. "Sunkist publicized the promotion by sending press kits to food editors that included an invitation to a luncheon at Neiman Marcus," Merritt explains.

Cross-promotions as community services

Cooperative promotions also can double as community-service activities when promotional partners are groups like the American Cancer Society or the American Heart Association. When Carolyn Sande was with Shanghai Red's Restaurant and Nightclub in Weehawken, New Jersey, she couldn't say enough about the benefits of such a partnership. Her collaboration with the Hudson County unit of the American Cancer Society resulted in Shanghai Red's "Good Health Menu," which featured menu items from the American Cancer Society's cookbook. "The project generated very positive publicity for us. Plus, we reached a group of patrons (health-conscious) that we hadn't been drawing in," notes Sande. The Good Health Menu included two appetizers, four entrees, two desserts and a daily special, with such selections as artichoke-tomato salad with lemon dressing; crab-stuffed mini pitas; sole poached with tomatoes, artichokes and mushrooms; chicken Dijon; poached pears and peaches with raspberry yogurt sauce.

Diners who selected from the Good Health Menu were also contributing to the American Cancer Society. Shanghai Red's donated one dollar for each entree and 50 cents for each appetizer and dessert ordered from the menu. Sande believes that the donations enhanced the success of the promotion. "I think patrons found this to be an easy way to support the American Cancer Society," she speculates. Since about 10 percent of sales were from the Good Health Menu, Sande estimates Shanghai Red's raised close to $2,000 for the cancer-fighting group.

Choose your partner carefully

Foodservice operators who have engaged in cross-promotions caution others to pick their partners wisely. "Make sure the two organizations complement each other and together make a nice package. Look for a partner with similar objectives, a similar corporate philosophy and a similar target market. You need a common element or mindset," explains Burke Cueny, director of national advertising for Domino's Pizza. "Pick a compatible partner, not a competitor—someone you trust and can work with and who has a good reputation," warns Bill Gillespie of The Shore Bird Restaurant in Princeton-by-the-Sea, California, who learned the importance of reputation the hard way.

"We were working with a local charter-boat operator who was running whale-watching tours out of the Bay. He was purchasing radio-ad time; and to get a quick mention in his ad, I suggested he run a contest, in conjunction with the radio station, offering a prize of a free whale-watching trip with complimentary brunch at The Shore Bird. The contest was a great success. We got all kinds of radio mentions for the low cost of 43 brunches," Gillespie boasts. But unfortunately the charter-boat operator had overextended himself and never paid the radio station for the air time. Unknowing, Gillespie approached the station with another promotion idea only to receive a cool reception. "But I'd do it again," vows Gillespie. "The risk was low, and the returns were high. The only thing I really lost was a good relationship with the folks at the station, and that was fairly easy to rebuild."

You can be thoughtful

Even if you have no interest in a planned cooperative promotion, you can promote neighboring business by being thoughtful, says Bill Gillespie. "A photographer was in our restaurant taking a photo for the California AAA magazine. He wanted a bottle of wine in the picture, so I got one that's produced by a local winery and displayed the label prominently. I sent a copy of the article to the winery, and the winery mentioned us in its newsletter, recommending The Shore Bird to its visitors. People remember

RESTAURATEURS TURN TO OUTSIDE ACTIVITIES TO RELIEVE STRESS

THE GREAT ESCAPE

"Until Americans can learn to relax, stress will kill them," warns Jan Robbins, owner of San Francisco's Corporate Stressbusters, an organization that uses massage to rid people of stress. "We're playing Russian roulette with our bodies because we're going so fast. Caffeine, alcohol and adrenaline are the cycle we're on. We're so used to revving at such high levels that we've gotten addicted to being in a crisis situation all day. We can't sit down for 15 minutes."

Three-fourths of Americans admit their jobs cause them stress. Among restaurateurs the percentage is especially high. Robbins believes one reason is the uncertainty they face. "Is a new trendy place going to take over? Why does one restaurant make it and stay popular and others don't?" Their other worries are the fast pace of their jobs followed by slack times, keeping up their establishments' standards, pilferage and the perishability of food.

An art break

Laureen Sabella, partner and operations manager of A. Sabella's Restaurant in San Francisco, has a creative way to reduce stress. For the past year she and her employees have been redirecting their energies by "taking an art break." In a well-lit, L-shaped room (16' by 16'), the staff spends time painting, reading and writing during their lengthy breaks, sometimes three hours between lunch and dinner. The room, formerly two storerooms, is equipped with a typewriter, table, couches, bookshelves and chairs, as well as paints, chalks and pencils.

Sabella says, "It's a meditative area. I forget about my troubles (when I paint). I run down whenever I can. Things can get very hectic and you can end up really frazzled by the end of your shift. Painting alleviates stress. It's a way to get everything out. . . . People have a more positive attitude at work."

Sabella has hung many of her paintings on the walls of the art room. (Others she has sold for $275 to $5,000.) A photographer/waiter uses time between his split shifts to organize his city shots into books. "It's our own little gallery," Sabella beams.

Stress comes from the Latin word *stringere*, meaning "to draw up." It is the body's response to stimuli. It may be the biggest management headache of the 1990s because it's so difficult to detect and it's costly to businesses. *Industry Week* magazine estimated that employers lose more than one million days of work and more than $20 billion in worker's compensation as a result of stress-related absenteeism.

Anxiety is so commonplace that researchers at the National Institutes of Mental Health say it is the number-one mental-health problem in the United States. "Seventy-five percent of all visits to a physician are for stress-related illnesses," believes Reed Moskowitz, M.D., medical director, Stress Disorders Medical Services, New York University Medical Center in New York City. Stress specialists recommend 20 minutes of relaxation exercises a day.

The warning signs of stress are intestinal distress, headaches, rapid pulse, frequent illness, insomnia, persistent fatigue, irritability, nail biting, lack of concentration, increased use of alcohol and drugs, hunger for sweets, jumping with alarm at sudden noises, an inability to complete routine tasks, hair loss, skin rashes and subtle mood changes.

Effects of stress include hyperventilation, in which the person feels he can't catch his breath. Excessive perspiration explains why the hands may feel cold and clammy. A reduction in saliva results in a dry mouth. The dilating and constricting of the skin's blood vessels cause flushing and hot and cold flashes. The bladder, stomach and bowel muscles contract, which can bring frequent urination and gastrointestinal distress. Prolonged stress can increase the risk of developing cardiovascular disease, rheumatoid arthritis, chronic headaches and gastrointestinal disorders, such as peptic ulcers.

Here are some interesting ways restaurateurs rid themselves of stress:

Driving fast on his 1985 Honda V65 Sabre motorcycle helps Rick Hough, 38, manager of Boston's Durgin Park restaurant, the nation's 14th largest, reduce his stress level. "Riding the motorcycle is exhilarating," he says. Other outlets for Hough's nervous energy are gym workouts almost every day, "which stabilize the functions of the body so natural breathing occurs," and listening to "purposefully strident, simplistic, silly, dumb music by latter-day punk bands. I like the volume and impact."

Max Karl Winkler

Massage is Americans' favorite antidote to stress. Nothing kinky, just a way to get out the kinks. By stimulating the blood circulation and the oxygen flow through the muscles, therapists explain, a massage helps lower blood pressure, speed up the healing of injured tissues and aid in keeping muscles supple.

Once a week Al Falchi, 55, owner of San Francisco's Waterfront Restaurant, pays $35 to one of the country's 500,000 massage therapists. "He can feel the tension in my back and neck muscles. It's gone in one hour," Falchi says.

At 5 feet, 10 inches and 175 pounds, Falchi is in good shape because he works out with weights and runs two miles every day from 6 to 7:30 a.m. with a personal trainer he pays $35 an hour. "We run around San Francisco on a 24-mile course. At that hour there is no traffic or carbon monoxide, only clean air," he says.

San Francisco's earthquake last October 17 did no damage to Falchi's restaurant, but it knocked him out of business for a while, nevertheless, because it disrupted people's lives. "In one month I lost $250,000. That's stressful," he says.

Exercise reduces tension levels by 25 percent, wrote William P. Morgan and Stephen Goldstein in *Exercise and Mental Health* in 1987, and moderate exercise reduces tension more effectively than tranquilizers. That is why Bernard Michel, 47, manager of Seattle's four-star, four-diamond Hunt Club in the Sorrento Hotel, rides and trains West German-bred horses eight hours a week. At the club, Michel averages 10 to 12-hour days, six days a week. "I feel stomach stress and fatigue at the end of the day," he says. "Trying to control a 1,200-pound animal bred for cavalry use and not thinking of the restaurant business and what I'm doing in the next hours help reduce stress. I sweat and my heart pumps. This is good tiredness."

Cornelia Bell, 37, releases stress with horses, too. She receives "no negative feedback or anger when I deal with animals." She is the head bookkeeper for Atlanta's Anthonys Restaurant. "I play with my four-year-old unbroken horse named Bones. I feed him, talk to him and pet and brush him. It's peaceful playing with him." She also owns two cats and seven-year-old, 175-pound Waldo, a St. Bernard. "He's almost as big as the horse. He sits on my lap."

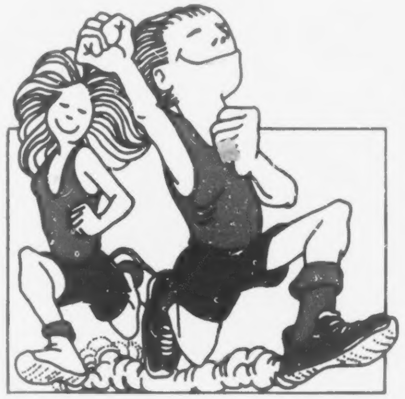
Edd Hendee, 38, owner of the 186-seat Taste of Texas Steakhouse in Houston, recalls reading the Cornell Hotel and Management School's 1987 study on time management, which stated that restaurateurs experience an average of 58 unexpected interruptions a day.

"We live on the front battle lines without secretaries to insulate us in the office, and therefore we get interrupted. Problems repeatedly happen all at once." The three biggest problems, he points out, are service and staffing, lack of his staff's following through with details, and maintaining a consistent quality in the food product.

"Frustration comes from blocked goals. At the end of the day, I take the biggest problems and write them down in priority order and solve them one at a time."

Religion is also helpful to Hendee. During the day, "any time, any place," he prays. "I bring problems to someone I trust. Talking to Him makes my problems sound manageable and helps me organize them. I ask for His wisdom and guidance, and it reduces my anxiety."

Last year, Hendee, a University of Houston graduate, ran the New York City marathon. It was his first long-distance run. He completed it in four hours, 18 minutes. "It gave me balance and a goal. It dropped my heart rate, blood pressure and cholesterol level." He now jogs three to six miles, three times a week. "It reduces adrenaline and keeps me away from the phone. I'm all kinked up after a stressful day."



Once every three months Peter Petroni, 25, manager of San Francisco's Basta Pasta, visits an acupuncturist who sinks nine needles into his shoulders and neck to relieve the stress of his demanding job. "It feels great. I sit for 15 minutes with the needles. It's better than any pill a doctor gives you because it's natural." Petroni has been using acupuncture treatments for nearly three years and prefers this approach to medication.

When Jerry Hasenkamp, 37, general manager of Brother Sebastian's Steakhouse and Winery in Omaha, arrives home from work he sits for 20 minutes in his hot tub's 106-degree water. "It loosens my neck muscles. My work's improved 60 percent since I began using the hot tub. I'm not so crabby either."

Mats Lonnemo, 30, manager of the 130-seat Red Bull in Ann Arbor, Michigan, works on his 100-year-old house to unwind. "Making cosmetic changes, putting in a new wall and landscaping focus my attention on something other than the restaurant business."

William L. Falt, 57, president/owner of 450-seat Joe Tess' Place Restaurant in Omaha, walks to rid himself of stress. "It's soothing to walk an hour and a half—about four miles—along the banks of the Missouri River." Falt adds that he is a believer in the "count-to-10" technique, which helps him avoid stressful confrontations—a technique that has helped smooth out the 40 years he's been in the business.

Danny Torres, 30, restaurant partner at San Francisco's Cadillac Bar and Restaurant, a Mexican restaurant that seats 180 and employs 94, says his method of reducing stress is the simplest of all. He manages stress by never bringing work home to his wife and four-year-old daughter. Even after a hectic day, Torres uses his hour-long drive home to "get into a good, proper focus," so he can achieve a "good balance between family and work." ❑

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HELPING YOUR EMPLOYEES GET PSYCHED

by Gary M. Stern

Motivation can take many forms—even a little bit of help from Freud.

As more and more restaurants recognize that outstanding service serves as one of an eatery's most distinguishing characteristics, emphasis is being placed on making employees happy. At some operations, a bit of psychology goes a long way toward relieving frustration and stress.

Therapy has become an integral part of the culture at Lettuce Entertain You Enterprises, Inc., a group of 25 restaurants based in Chicago that generated close to $90 million in revenues last year. Richard Melman, the 47-year-old entrepreneur who started Lettuce Entertain You back in 1971, acknowledges that therapy changed his life and enabled him to overcome his own self-doubts.

"I am concerned," he says, "with the development of my people. I don't like people standing still. Making other people feel successful is one of the keys [to running a successful restaurant chain]. Your job as a leader is to make your people feel good, so in turn they can make their customers feel good."

To attain his goal of making his employees feel good, Melman has incorporated therapeutic practices into Lettuce's elaborate 12-week in-house training of all employees—servers, bartenders, managers and chefs. Heightened awareness of how one's actions affect customers is as much a part of training as knowing where to place a knife and fork on the table and how to serve a beaujolais.

Lettuce even maintains a special fund to help employees—from dishwashers on up—pay for therapy. More than 125 employees over the last four years have participated in the program, which picks up 50 percent of the charges for one-on-one therapy. Melman maintains that therapy can lead all employees to have more "emotional balance" in their lives.

And therapy, he contends, is important for all employees, not just top managers. "You get a chef who doesn't have the respect and caring from his group, and I'll show you a group with turnover and a team that will undermine the chef in certain ways, and all of that will not turn out consistent food," Melman asserts.

Loret Carbone, Lettuce's vice president of human resources and a partner in the company, states that employing therapeutic practices pays off in concrete dividends. "By having managers be well-developed, they can be more giving to their employees—giving them schedules, disciplining them in a mature way, treating them with respect," she suggests. The results, she says, are that employees become more responsive and solicitous of customers, instead of disgruntled and frustrated. (Angry employees tend to take their feelings out on customers rather than express them toward their managers.)

Managers, too, benefit from the psychological focus. Management training concentrates on employee motivation. "We teach managers that listening is an important part of communication. You have to listen for the third ear, look for the hidden agenda, look for the insight that suggests what is blocking employee growth," says Carbone. For example, she explains that if an employee comes in wearing a wrinkled shirt, the manager is trained to ask what the problem is. If the employee says "nothing is wrong," the manager is encouraged to look beneath the surface to see what is troubling the employee.

"The more confident the manager is—the more psychologically developed—the more he or she can handle situations smoothly and help employees grow," asserts Carbone. That's why role plays, which focus on employee-to-customer relations and manager-to-employee interactions, are emphasized in the training program.

At one Lettuce restaurant, a customer complained to a manager about a waitress's insulting behavior. The manager confronted the waitress in his office in order to explore her antagonism. Stunned that the manager was so direct, she revealed personal background about why she often felt criticized. Then she burst into tears, expecting to be fired. Encouraged by the fact that she didn't lose her job, the waitress is working to change her behavior. "We like constructive criticism," says Carbone. "Our attitude is 'Let's solve problems.' "

While acknowledging that asking people what's troubling them is a humane gesture, Dr. Abraham Zaleznik, a psychoanalyst and professor at Harvard Business School, notes that problems can arise when managers serve a therapeutic role. "Dependency," he says, "can be created between supervisor and employee. When a cutback in force arises, the person will feel violated and abused. In a therapeutic situation, none of these problems will appear."

He cautions restaurateurs about using therapeutic techniques in the workplace. In therapy, he asserts, defense mechanisms are broken down and unraveled. "You don't want to do that in the workplace," he adds.

"Therapy with a business title"

Jim Errant, founder of Errant Enterprises in Northbrook, Illinois, which operates three Chicago Claim Company restaurants and two other eateries, also feels that it's important to bring psychology into the restaurant business. Many of a restaurant's staff, he notes, are young people, who "are at an age when they are just learning independence and most need direction." Instead of encouraging his employees to enter therapy, Errant has incorporated the techniques of *The One-Minute Manager* into his restaurant culture. "You could call it therapy with a business title," quips Errant.

Understanding why restaurant service staffs do something and recognizing why they are getting angry at a customer, for example, eventually leads to the type of attitude or behavior that encourages customers to return to a restaurant.

Nancy Schuett, vice president of human resources for Errant Enterprises, attended seminars on customer service at the Blanchard Institute in San Diego. The seminars are run by Ken Blanchard, *The One-Minute Manager* author. She notes that psychology plays a role in almost every facet of the restaurant business—what drives the employees, what spurs the customers to choose one restaurant over another, how managers motivate their employees.

Specifically, Schuett says that Errant Enterprises has tried to empower staff people as much as possible, a basic Blanchard tenet. "Instead of saying 'I need to find a manager,' when a problem crops up, employees can take action. For example, they can determine that a sirloin-steak dinner served raw can be replaced by another dinner."

Using psychology in hiring

Hiring the right employee for the right job serves as one of the keys to the success of the Subway franchise, started by Fred DeLuca, who works out of Subway's Milford, Connecticut, offices. Inspired by a class taught by a local psychologist, DeLuca decided to employ the Predictive Index, which, as its name suggests, predicts how people will react to the work environment.

Heightened awareness of how one's actions affect customers is as much a part of training as knowing where to place a knife and fork on the table and how to serve a beaujolais.

Prospective employees fill out a questionnaire that asks them to check off words that best describe them and pinpoint words that best reflect how most people react to them. On the basis of their answers, DeLuca says, they can then predict that a future employee, for example, would be a good communicator, but probably weak at addressing bottom-line issues.

Since DeLuca contends that in the restaurant business "people" skills are primary, he would be likely to hire this person, recognizing that the company might "sacrifice some points on food costs. But employees will be trained better and turnover reduced; and that goes right through to the customer."

Using the Predictive Index, he suggests, helps him to tailor his employees more specifically to a job that suits them. One franchise owner, who attended the class on the Predictive Index, said it has transformed his criteria for hiring. Previously, he hired people who were organized, regimented and bottom-line focused, ignoring communication skills. Recognizing that his turnover rate was high and employees were disgruntled, he now seeks open communicators who can also be detail-oriented.

Why bring psychological testing into restaurant hiring? DeLuca believes that "In a service industry, managers are realizing that all their employees are not the same. From a management point of view, it [psychological testing] helps you to work with people in different ways. Employees aren't all cut out of the same cloth." ❏

Gary Stern is a freelance writer in New York City.

From the Pantry

GREAT MENU CONTEST

Finishing Touches

Denny's

Chili
Dieters Corner

Beach Cafe

Grisanti's

MENUS WITH MAMA, TRAINS, BIKINIS & JOKES ABOUT YOGI

by Rob Kasper

The first requirement I have for a restaurant menu is that I be able to read it—without a magnifying glass or mirror. A menu should also tell me how much the food costs, without requiring proficiency in higher math. And I want a menu to describe the restaurant food accurately, without resorting to the word "scrumptious." Finally, a menu should perform these three tasks with a certain sense of style. If that style includes showing me a bikini-clad beauty, I won't complain.

This covers the major tenets of my philosophy of menus, a philosophy I pretty much whipped up as I was sitting in a conference room of the National Restaurant Association, judging its annual menu contest.

The grandest of the grand

The Grand Prize winner was a menu from the New York Sports Authority in Secaucus, New Jersey, a sports bar. In addition to meeting all my other requirements, the menu won me over with its sense of humor, especially its word plays on sporting names and phrases. Its fresh spinach salad was called "Mean Joe Greens." Its hot dogs were "Wiener and Still Champeen" and its hoagy sandwiches were "Yogi's Hoagies."

Second place went to Denny's of Irvine, California. Denny's menu not only told customers about its milkshakes and hamburgers, but it also showed appealing photographs of every item it sold—a picture-perfect menu.

Third place went to Grisanti's, a string of Italian restaurants with headquarters in Louisville, Kentucky. This restaurant's menu was called the "fat mama menu"—by me, anyway. I called it that because in addition to containing all the vital restaurant info, it had a series of family photos including one of a large, maternal-looking Italian woman.

Some of the judges thought this photo might put off today's svelte-conscious eaters. Not me. I thought the photo was inspirational. Mama may have been a little oversized, but she looked very pleased. And that is exactly how I want to feel after a good meal—heavy but happy.

Not that my word on the menu matters was final. There were five other judges evaluating menus, and most of them appeared to know what they were doing.

The judging took place in a large conference room on the top floor of the National Restaurant Association headquarters in Washington. The room had an enormous conference table that all the judges sat around. We judges divided into two three-member teams. The two teams of judges split the task of rating nine categories of menu competition.

"A sensible eyecatcher . . ."

Overall, there were three main judging criteria in the contest rules: imagination, design and merchandising power.

The contest's definition of imagination was a menu that was novel and striking—an eyecatcher.

The definition of design was a menu that combined layout, color, illustrations, typeface and paper to present a readable document—an eyecatcher that made sense.

And the definition of merchandising power was a menu that used appropriate visual strategies that enticed customers to order the food.

Summing up, the ideal menu would be an eyecatcher that made sense and made people hungry.

We did what judges do

After the scores were added up, we did what judges do everywhere. We second-guessed ourselves. We asked if we were right the first time, whether the menu with the highest score was the best in the category. Mostly we said yes. A few times we said nope—the one that ended up second by the numbers was really our first choice.

And a few times we disagreed. One of my esteemed judicial colleagues actually liked a menu you had to read by holding it up to a mirror. It was imaginative, he said. Maybe so, I said, but it was also indecipherable. On the other hand, I really liked the menu from the A-Train, a restaurant in Atlanta. It had a design similar to a record cover. The outside had a classy-looking graphic showing a train porter, and the inside pulled out, like a record, and had the menu. One fellow jurist pointed out that if the inside of the menu, the part with the important information, fell out of its cover, you wouldn't know it was missing. I had to agree, it was imprac-

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tical—but stylish. We ended up giving this menu the title for "Most Imaginative."

The bathing-beauty menu also got a lot of attention, at least from me. It came from the Beach Cafe of the Rio Suite Hotel and Casino in Las Vegas. It had a lot of bright, beachy colors, including a drawing showing the mahogany back of a bathing beauty who appeared to have abandoned the top of her bikini. I thought the drawing was tasteful, and in keeping with the color scheme and theme of the beach cafe. It ended up winning third prize in the Most Imaginative category, on the theory, I guess, that the drawing left a lot to the imagination.

After splitting the nine categories of competition—our team did five—we combined forces to determine the top prizes in the big category, Grand Prize Winner. The winning menu in each of the categories was held up for the judges' additional inspection. We kibitzed. As I looked at each competing menu, I asked myself, 'Was it readable? Was it practical? Was it imaginative? Was it well-designed? Did it make me hungry? Did it appeal to my soft spot? Before I judged the competition, I didn't know I had a restaurant-menu soft spot, but it turned out I had lots of them. I like mama and trains and bikinis and jokes about Yogi.

On second thought

The only menu I am having second thoughts about was a children's menu from the Peddler restaurant in Gatlinburg, Tennessee. This menu said the price of a child's dinner was 50 cents times the age of the child, for kids under age 12. For the salad bar, the price was 35 cents times the age of the child.

I didn't like this menu right away because I had a little bout of math anxiety. I thought figuring out the price of the food was too difficult. But then I got home and calculated that my 9 and 5-year-old kids could eat dinner for a total of $7. I reconsidered. This menu should have won an award, even if we had to make it up. Maybe something like the "Friend of the Family" award. ❑

Editor's note: The other judges of the 1990 Great Menu Contest were: Charles Bernstein, editor, *Nation's Restaurant News;* David Farkas, features editor, *Restaurant Hospitality;* Mark Knauer, Knauer Incorporated, Highland Park, IL; Jann Malone, food editor, *Richmond Times Dispatch;* and Gary Turner, G.B. Decorative Design, Alexandria, VA.

1990 Great Menu Contest Winners

Grand Prize Winners

☐ *First Place:* New York Sports Authority, Secaucus, NJ

☐ *Second Place:* Denny's Inc., Irvine, CA

☐ *Third Place:* Grisanti's, Louisville, KY

Restaurant: Average Check Under $8 Per Person

☐ *First Place:* Eat'n Park Restaurants, Inc., Pittsburgh, PA

☐ *Second Place:* Denny's, Inc., Irvine, CA

☐ *Third Place:* Bulldog Deli, Starkville, MS

Restaurant: Average Check $8-$15 Per Person

☐ *First Place:* New York Sports Authority, Secaucus, NJ

☐ *Second Place:* The Westin Chosun, Poolside Terrace, Seoul, Korea

☐ *Third Place:* Molly's Balloon Ltd., Hanover, NH

Restaurant: Average Check Over $15 Per Person

☐ *First Place:* L.A. Nicola Restaurant, Los Angeles, CA

☐ *Second Place:* MacArthur Park/Spectrum Foods, Inc., San Francisco, CA

☐ *Third Place:* Tutto Mare/Spectrum Foods, Inc., San Francisco, CA

Institutional Foodservice

☐ *First Place:* The Union Club Restaurant, The University of Arizona, Tucson, AZ

☐ *Second Place:* The Terraces—Foodservices by MGR, Inc., Atlanta, GA

☐ *Third Place:* Saratoga Community Hospital, Detroit, MI

Banquet/Catering

☐ *First Place:* Bent Tree Country Club, Dallas, TX

☐ *Second Place:* The Colonnade Hotel, Boston, MA

☐ *Third Place:* Marriott's Harbor Beach Resort, Ft. Lauderdale, FL

Specialty

☐ *First Place:* El Torito Restaurants, Inc. (cantina menu), Irvine, CA

☐ *Second Place:* Carolina Cafe (children's menu), The Westin Resort, Hilton Head Island, SC

☐ *Third Place:* Bay Street Restaurants, Inc. (beverage menu), Plano, TX

Greatest Merchandising Power

☐ *First Place:* Denny's Inc., Irvine, CA

☐ *Second Place:* El Torito Restaurants, Inc., Irvine, CA

☐ *Third Place:* Kelsey's Restaurants, Oakville, Ontario, Canada

Most Imaginative

☐ *First Place:* A-Train/Rennie Ventures Inc., Atlanta, GA

☐ *Second Place:* Shenanigans, Salt Lake City, UT

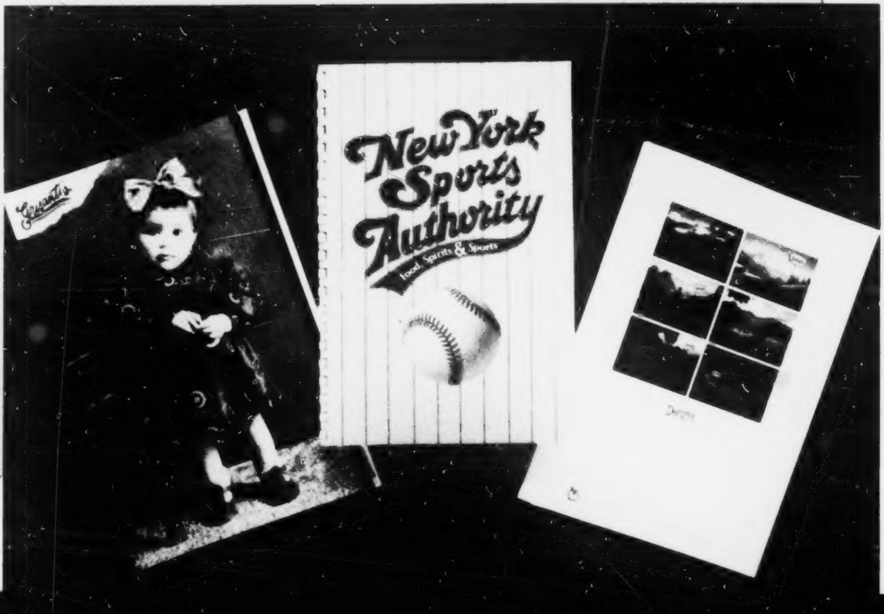
☐ *Third Place:* Rio Suite Hotel & Casino, Beach Cafe, Las Vegas, NV

Best Design

☐ *First Place:* McGinnis Landing Restaurants, London, Ontario, Canada

☐ *Second Place:* Grisanti's, Louisville, KY

☐ *Third Place:* Rio Suite Hotel & Casino, Beach Cafe, Las Vegas, NV



Cash registers that talk to personal computers, and specialized foodservice software packages that talk to each other, are the key to making the best use of available information with the least time and effort.

Charles Feil/Uniphoto

By now, the benefits of computers are well known to foodservice employers. Increased revenue brought about by improved efficiencies, both in the front and in the back of the house, have made computers commonplace throughout the industry.

But the state of the industry does not necessarily reflect the state of the individual employee. The advent of a computer into one's previously manual system may introduce an intimidation factor that can temporarily lower

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Here we are in 1990 with our new PCs and POS systems, facing the future wondering how to get the most out of these recent investments. On the one hand, we have a powerful POS (point-of-sale) system that keeps track of front-of-the-house activity, and on the other hand we have a powerful desktop computer in the office that we use for accounting, inventory control and other back-of-the-house purposes. The logical next step would be to integrate the two systems, so that information collected by the POS system could be used for accounting, inventory control and other management needs.

In the future this problem will be largely solved by running all functions on a single personal computer or perhaps on a network of personal computers. But how do we make the most of what we have today? Is it possible to get this equipment and software working together to provide an integrated solution? In other words, can we get the front of the house to talk to the back of the house in the same language, and end up with higher profits as a result?

Bill Schwartz is the president of Systems Concepts, Inc., a national consulting firm in Scottsdale, Arizona, specializing in food-cost management and providing consultation on software products. Schwartz teaches the food-cost management seminar for the Educational Foundation of the National Restaurant Association.

THE HUMAN FACTOR IN THE TRANSITION TO COMPUTERS

by Mary Follin

an employee's confidence in his ability to do his job. For this reason, the installation of a computer system requires not only careful software and hardware planning, but also extensive people planning.

Resisting computers

"People are afraid they can't learn how to use a computer," says Leo Carey, manager of product installation for C.A. Muer's Strata Group in Detroit. The Strata Group markets and installs point-of-sale and labor-scheduling software for restaurants. "Introduce a computer to a veteran staff, and they feel like rookies again."

Carey points out that prior exposure to computers seems to determine the amount of resistance an employee feels about a new installation. But even in the best of circumstances, getting beyond the initial learning curve is never fun for anybody, and people are reluctant to change the way they do their jobs.

Greg Churak, district retail systems division manager for the National Cash Register Corporation (NCR) in Rockville, Maryland, has seen employee resistance from every angle: "The keyboard is hard to use; I'll never remember where everything is." "The system is too complicated." "The prechecker lines will be too long." "It will never work." According to Churak, if an employee does not understand how the system will benefit him or her, implementation may be difficult.

Phillip's Seafood Restaurants in Ocean City, Maryland, has experienced many of these objections. John Townsend, an independent computer consultant currently under contract

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Technology update

CAN WE TALK?

How To Get Front-of-the-House POS Systems To Communicate with Back-of-the-House Computers

by William C. Schwartz

The answer is an unqualified, resounding "maybe." The key lies in first getting the two systems to communicate with each other, and then finding ways to get the various software packages to be able to use the data provided.

Some vendors provide an all-in-one approach, where the accounting software and the POS software are tied together and share information. The problem with this approach is that options are limited and all the eggs are in one basket.

Fortunately, it is not necessary to go this route. It is possible to buy the POS system that is right for the operation (functionally and economically) and the accounting software that best fits the needs of the business. This "component" buying approach enables every piece of the system to be right for the business and relieves the operator of the need to deal with a single source.

Why integrate?

There are still some operators who don't believe it is necessary to integrate front to back. And in some operations, the cost would be prohibitive. But for most operations with volumes in excess of $200,000 annually, integration could be the key to survival. The ability to generate profits is the result of knowledge—knowledge of the business and its operation, as well as knowledge of the market and the customer. Some of this knowledge comes from the data collected by the POS system.

And, boy, do we have data! With the advent of the newer register systems, substantial amounts of transaction and sales data are stored in the register, as opposed to the handful of totals kept by older models. By analyzing these data, savvy operators become more familiar with the true nature of their business and make wise, informed decisions as a result.

As the amount of data collected increases, so does the length of the tape on which the data are reported. Additional drawbacks include tape cost; extra time spent in the store; difficulty extracting meaningful information from impossibly large rolls of tape; and the subsequent storage, filing and retrieval of the tapes.

Many operators take the information presented on the tapes and enter selected data into spreadsheet or accounting software packages that run on their personal computers. The data are then sorted, printed and stored in a more meaningful fashion and are therefore readily available for retrieval on demand.

While using POS information with other applications is desirable, the double entry of data (once into the register and once into the PC) is not. Therefore, many operators have requested means for automatically moving data from the register into the PC, to increase accuracy and avoid the additional keypunch time. Some call this process "getting the computer and the register to 'talk' to each other."

Two problems are inherent in this approach. One is getting data from the cash register to the computer, and the other is getting the data into the software package that will be using them (spreadsheet, accounting system, etc.). In computer language, the first problem is called *data communication;* the second is called *import compatibility*.

Continued on page 32

"Human Factor" continued

with Phillip's, notices reluctance as new employees are introduced to Phillip's' new IBM System/36 computer system. "The initial reaction is often fright when a new employee is put in front of a terminal," he says. "Servers feel as if they will lose touch with their procedures if they have to automate, and cooks are uneasy about the accuracy of orders."

Townsend goes on to say that employees usually learn the system quickly, and ultimately find they couldn't survive without it. "A new system is perceived to be a bigger threat than it really is," says Townsend. "Ten years from now, that perception will probably change, and so will the employees' reception. Invariably, once an employee adjusts to the new routine, the computer becomes indispensable."

Loss of control

In addition to an obvious fear of new technology, a hidden concern among employees that is not so readily voiced is a loss of control over their jobs.

"I'm not certain that people are necessarily computer phobic," states Robert Grimes, president of Strategic Technology Services Corporation (STS), Gaithersburg, Maryland, which installs, trains and supports computer

Installation of a computer system requires not only careful software and hardware planning, but also extensive people planning.

"Can We Talk?" continued

Are we speaking the same language?

The problem with data communication, or getting the register to "talk" to the computer, is that the two machines speak different languages. To complicate the matter further, different brands of cash registers generally speak different languages. The language gap between the cash register and the computer is typically bridged by a software package that runs on the PC but also speaks the cash register's language.

These programs are often called *polling packages*, because they "go out" to the register and ask (poll) for data, which they then bring over to the PC and store in data files. Many of these packages also allow the operator to send instructions (download) to the register, such as new descriptors or prices for the presets or price lookups. These packages then create basic reports from the data brought across, which can be printed on a standard printer on normal or wide paper.

Polling packages are specific not only to the brand of register but also to the model number of the register. For example, a polling package for the Sharp 3300 register will not work with the Sharp 5210, although both polling packages are PC-compatible.

Another consideration on the polling side is the fact that many cash-register systems will require additional circuit boards in order to communicate with a polling package. Some polling packages come complete with their own boards for use in the computer or cash register, while others indicate the equipment that must be purchased.

The final communication consideration is the actual connection between the computer and the cash register. If the two machines are very close to each other, it may be possible to run a cable from one to the other. Otherwise, it will be necessary to use a phone line to move data, with modems on each end of the line. Many multi-unit operators use this approach, along with automatic-dialing polling packages to retrieve data overnight from a number of cash registers.

In most cases, the polling software, register hardware and installation capabilities are available through cash-register dealers. One word of caution, however. Not all registers are capable of communicating with a PC, and not all registers store enough information for data transmission to be worthwhile.

Just how compatible are we?

The second half of the integration problem deals with getting the data from the PC into the program that needs them. This problem is much less difficult than that of getting the data to the PC in the first place, since there are no language barriers or communications problems. Instead, the problem becomes one of "reading" the file produced by the polling package and "importing" the data into the application program.

In order to accomplish this feat, the application software (spreadsheet, accounting system, etc.) must be able to understand the data in the file. This will depend entirely on how the data were placed in the file by the polling package. This is sometimes called the file structure or format. There are virtually no limits to how this could be done.

One of the more standard approaches is to place data in the file in a standard ASCII format, with each entry surrounded by quotes and separated by commas. But the order of the information can vary. For example, one polling package might place the description first, followed by the price and then the number sold, while another might begin with number sold.

Because of these differences and difficulties, one of two things must occur. Either the polling package must set up the file in a manner acceptable to a specific software application or the software application must be set up to read that specific polling package's files.

Because of the popularity of Lotus

systems in restaurants. Rather, Grimes has observed, many employees think a new computer system is an effort by management to tighten control over subordinates. "Most employees don't welcome closer scrutiny of their performance," he says.

Mark Maloney, a waiter at Joe Muer's in Boca Raton, Florida, confirms Grimes' observation. Although Maloney adjusted quickly to a new system and is now training fellow employees, he does contend that computers make some people nervous. "Some workers read too much into why the computer was installed, and the effect it will have on their jobs," he reports, "They don't recognize it as a simple storage bin that prints out in the kitchen and the bar and saves a lot of running around."

Servers are not the only personnel threatened by a loss of control. According to Carey of the Strata Group, managers can feel slighted when, for example, they are suddenly asked to depend on computer software to do their scheduling for them.

"Increased control is why people get into management in the first place," maintains Carey. "They are reluctant to relinquish control to a computer." A manager may feel his expertise challenged when he insists that he needs 23 people on a Friday night, but computer statistics allow him just 19. Only when a manager views a computer as a cost-saving tool rather than as competition can a system begin to work for the business.

Easing the transition

A prerequisite for a smooth transition to computerization is an understanding of exactly what a computer will do for the business and how the computer will do it.

"Don't buy a computer to get control of your business," says Carey. "Rather, do it the other way around." Business goals, objectives and procedures should be clearly delineated so the chosen system will complement,

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The distinction between cash registers and computers is shrinking

It seems the distinction between cash registers and computers has been more and more difficult to make as time goes by. As little as 10 years ago, very few operators would have considered their cash registers to be computers. Today, virtually all newer register systems contain central processors (CPU), random access memory (RAM) and other components found in general-purpose computer systems. And they perform computer-like tasks, such as the storage of substantial amounts of data and the operation of remote devices, such as terminals and printers; and they "crunch" numbers just like their general-purpose cousins.

In fact, it appears inevitable that before this decade ends the term "cash register" will fade away into obscurity, to be replaced by the term "point of sale" or POS for short. POS systems today really are computers in every sense of the word. Many are based on the personal computers found at the neighborhood computer store.

Perhaps the sole remaining distinguishing characteristic between POS systems and everyday computers is the function they serve. POS systems are intended to handle all aspects of dealing with the customer's purchase. And as a result of this function, the equipment is typically designed different from that of a general-purpose computer. For example, most PCs do not require cash drawers or keyboards with words such as "cheeseburger" and "large fries" pasted onto the keys. And most PCs don't require reports to be printed on thin strips of paper, with greetings and thank-yous at the top and bottom of each page.

When it comes right down to it, however, today's POS systems are nothing more than single-purpose PCs with specialized attachments (peripherals). And any major POS system manufacturer will tell you that its software—not its hardware—is what makes it the best.

If we combine this sequence of events with the fact that personal computers are becoming more and more powerful, it doesn't take a crystal ball to see that before long we will no longer shop for POS systems, but for POS software. It will be sold off the shelf at the neighborhood computer store and by what used to be cash register dealers. The register dealers will become (or have become in many cases) companies specializing in a variety of POS software, specialized peripherals, general-business software and expert installation and consulting.

1-2-3, many polling packages provide the option of storing data in a manner compatible with Lotus. Other polling packages are part of an integrated system including accounting or spreadsheet software, which is specifically designed to read the files produced by the polling module.

Some of the smarter foodservice-software companies have chosen to build POS interface modules, which work with many of the most popular polling packages. In this way, it becomes possible to tie these packages in with a large variety of POS systems.

A good example of this approach is food-cost-management (FCM) software. The best packages available today can use information polled from POS systems to calculate ideal food use, run sales-analysis reports, determine each menu item's contribution to profits, estimate reorder quantities and show inventory variances.

In addition, since purchase information is needed by both the food-cost management system and the accounts-payable system, the best FCM systems can transfer this information to the accounts-payable modules of a number of accounting systems. The key here again is providing the operator with a chance to select the accounting system that best suits the operation, not forcing the operator to use the one that comes with the FCM package. Finally, the better FCM systems will also transfer data such as recipe costs to catering software packages and accept data from other types of input devices like scanners and bar code wands.

So what's the bottom line?

The bottom line is that by getting different systems to talk to each other, the operator gets a better bottom line. ❑

Managers must get behind computers

"Failure of systems doesn't usually start with employees; it begins with management," insists Robert Grimes of Strategic Technology Service Corporation in Gaithersburg, Maryland. If management does not demonstrate commitment to a smooth installation, employees will not place a high priority on utilizing the system.

Grimes advises that those responsible for making the decision to automate should outline goals, objectives and benefits for their employees.

Such was the approach used by Little Gardens in Lawrenceville, Georgia. Little Gardens is a restored antebellum mansion converted into a fine-dining restaurant whose atmosphere belies the high-tech Fisher system that was installed about a year ago. According to David Willson, the maitre d' who helped plan for and install the system, management carefully outlined its plans and communicated expectations to employees.

"Initially, I was one of the most reluctant to vote for a new system," says Willson. "I couldn't see that the expense was justified, and I was afraid I would be staring at a keyboard instead of spending time with my customers." But since the installation, Willson has completely reversed his opinion. He appreciates the new capability to track business better, and he finds that all of the employees depend on the system. His enthusiasm and commitment is one factor in Little Gardens' smooth transition to automation.

Too often, managers do not spend time generating enthusiasm among employees. They make the decision to purchase a system, back off and let professional trainers initiate the staff. The consequences of this hands-off approach are twofold: Employees fail to take advantage of the system, and the trainers could inadvertently change the direction of the business.

According to Grimes, customizing the system to fit the needs of the business can only be done shoulder to shoulder with management.

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rather than determine, the owner/operator's style.

"Also, never spring the new system on anyone," Carey continues. "Tell your employees what you are doing and why." Relaying your plans to employees will help to overcome some of the objections that are bound to arise. Carey advises against compounding the fear factor by embarrassing employees and treating them like children. Communications about the new system should be professional and respectful of employees' concerns.

"Most important, management should take a calm approach," concludes Carey. The learning curve can be rigorous and difficult to wade through while maintaining business as usual. The system needs to be customized, data need to be entered and employees need to be trained. Mistakes will be made, and the start-up may appear more cumbersome than the old way of doing business. Any one of these variables can trigger a negative response—especially in the middle of a busy shift. At these crucial moments, managers must remain calm and avoid overreacting to problems.

Grimes of STS describes his company's approach to assisting a restaurant's transition to computers. "When we design a training program, we look at the needs of the trainees, and we try to assess their goals." The program is then tailored to fit those needs. According to Grimes, employees can often be grouped together by requirements; part-timers may need less from the system than full-timers, native speakers of foreign languages may require more extensive training, and computer-literate college students will tend to be self-propelled.

"Try to make training fun," Grimes recommends. "Create a game—'Wheel of Back Office' or 'Point-of-Sale Jeopardy.' Play it up as something that will benefit the job." People appreciate a certificate of achievement, or even better, says Grimes, make the people who master the system certified trainers—complete with plaques. "If employees feel they own a piece of the system," he says, "you will make the sale."

Fred C. Ihrer, president of Comus Computer Corporation and former owner of Comus Inn in Comus, Maryland, used a combination of the above techniques to successfully install an automated system in the inn back in 1982. At the time, there were no prototypes, so the experience was mostly trial and error.

"Basically, we held meetings with waitstaff, bartenders and managers and emphasized how computers would help them do a better job," Inhrer explains. "We were careful not to simply dump the system on them." The Comus Inn operated in parallel; it maintained the old system while learning the new, so employees could feel secure while moving in a new direction. Throughout, Ihrer kept the emphasis on how the system was fun to use and would help employees make more money.

Emphasizing benefits

Learning an entirely new way of doing business may be too much to ask, even of dedicated employees, unless they see "something in it" for them. If employees understand the personal benefits they will realize from the new system, they will be eager to follow the program.

Michael Kasavana, computer consultant and professor of hospitality information systems at Michigan State University in East Lansing, contends that servers are extremely receptive to computerization when they realize the system will save steps, increase communications and improve tips.

Churak of NCR emphasizes that promoting benefits to employees should be the main focus of the campaign to "sell" employees on the new system. The bottom line is that improved efficiencies brought on by computerization will increase servers' tips while making the job easier to perform. Computers relieve managers of many of their bookwork and auditing responsibilities; closing up at the end of the day is an easier and more productive task.

"It's not just a bunch of baloney, either," says Churak. "Employees actually will see all of the promised results." Management's job is to clearly define the benefits and how they will be attained so employees understand that they are attainable.

#107

Talking with the "boss"

Like most people, I've had a few bosses in my lifetime. Like some people, I've also been "the boss" to a fair number of employees. Many of us fit into a hierarchy of some sort, with people above and below us (as well as to the side of us), and so we experience the dynamics of stimuli coming at us from all directions. One of the fascinating things about organizational life is the conversations—formal and informal, professional and personal—that we have with others in the organization. Based on years of experience, I've noted that there are certain things bosses like to hear and certain things they don't like to hear. Here is a sampling of both.

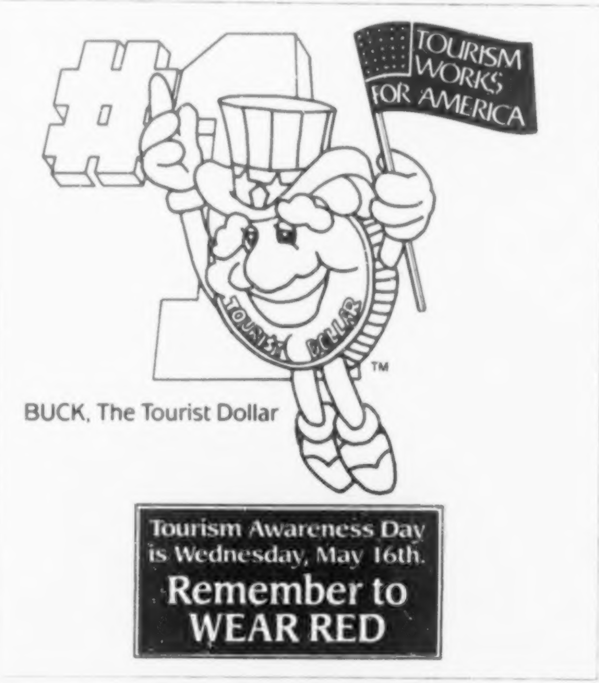
What bosses like to hear

1. Yes, boss!
2. Don't worry, boss; you're covered.
3. Sure, I can stay late.
4. That was brilliant, absolutely brilliant.
5. I'd be glad to come in on my day off.
6. We can sweep a lot of that stuff into this year's financial closing.
7. We've eliminated the problem.
8. That was a very productive meeting.
9. It's a success!
10. The doctor says I'm O.K.
11. We hired the one we wanted.
12. Excellent presentation, boss.
13. It could not have turned out any better.
14. Boss, you are a person of enormous stature and charisma.
15. That was a gutsy call, boss.
16. Boss, you are a true professional.
17. Congratulations! Well done, boss!
18. It's amazing how adeptly you handle things, boss.
19. I didn't really need a vacation anyway.
20. How did you get to be so savvy?
21. We couldn't have done it without your leadership.
22. You are a terrific mentor, boss.
23. I admit I had some reservations in the beginning, but you had the vision; and you did it.
24. Of course, boss, you're right on.
25. Boss, you are the manager of the year, every year.
26. I think I can hide it without any problem.
27. We can always capitalize it rather than expense it.
28. We sold out just as the doors closed.
29. It's a new record!
30. I didn't realize that you're so talented.
31. I like working double shifts.
32. We can generate even more productivity.
33. I'm not asking for an increase in the budget this year.
34. Have a good trip; we'll take care of everything.
35. Boss, you look terrific!

What bosses don't like to hear

1. I quit!
2. No!
3. I can't!
4. I won't be in tomorrow.
5. I won't be in today!
6. I have to leave, NOW!
7. Nobody told me.
8. I got a better offer!
9. This place is a zoo!
10. The IRS called.
11. That was dumb, really dumb.
12. It was . . . uh . . . uh . . . a non-success.
13. I didn't understand it that way.
14. Morale around here stinks.
15. I'm not going to take it anymore!
16. You sure blew that one!
17. I'm going to sue you.
18. You don't understand the problem.
19. Someday you'll pay for this.
20. You really are an amateur.
21. There's no way we can turn it around.
22. There are a lot of TV cameras out front.
23. The bank called; they want to set up a meeting.
24. You're off base on that one.
25. You deserve to be lonely at the top.
26. If you want to see me, you'll have to come to my office.
27. Drop dead!
28. It's not my fault; it's your fault.
29. You promised me!
30. You idiot!
31. I underestimated the seriousness of the problem.
32. I happened to be on the same plane as the CEO.
33. Are you feeling all right?
34. The lot across the street was just sold to our chief competitor.
35. We're all getting a little older.

Fisher's Law #107: When you talk with the boss, think before you speak.



Tourism Awareness Day is Wednesday, May 16th.
Remember to WEAR RED

Higher earnings for moderate-check tableservice restaurants in '88

According to a special analysis of the National Restaurant Association's 1989 industry operations survey, moderate-check, full-menu tableservice restaurants reported higher pretax income in 1988 than they did in 1987.

One financial tool helpful in analyzing restaurant operating data is the earnings ratio—the proportion of pretax income or loss to total sales. For full-menu tableservice respondents providing operating data for two consecutive years, the earnings ratio at moderate-check establishments in 1988 (average per person check $5 to $9.99) rose to 3.8 percent—up from 2.8 percent in 1987.

In comparison, the earnings ratio at higher-check establishments (average per person check $10+) declined from 1.7 percent in 1987 to 1.1 percent in 1988. Lower-check establishments (average per person check under $5) reported an earnings ratio of 4.1 percent in 1988—the same as in 1987.

On a per seat basis, all moderate-check, full-menu tableservice survey respondents reported a median net pretax income of $189 per seat in 1988, compared to a lower $83 per seat for higher-check establishments.

Healthy sales growth

The advance in pretax income at these moderate-check, full-menu restaurants was driven by higher sales. Median total sales per seat advanced almost 13 percent between 1987 and 1988 for moderate-check establishments—nearly double the rate of growth at higher-check operations.

This sales gain reflects in part the greater interest in casual dining at tableservice restaurants (see "Why Customers Are Leaning Toward Casual Restaurants," ***Restaurants USA,*** March 1990).

Also of note is that moderate-check establishments reported a decline of 0.4 percent in median alcoholic beverage sales per seat, compared to a 4 percent advance at higher-check restaurants.

Controllable expenses

In 1988 all moderate-check, full-menu tableservice survey respondents reported total sales per seat of $5,159—almost identical to

How to order the report

The National Restaurant Association's *Restaurant Industry Operations Report—1989,* prepared in cooperation with the accounting firm of Laventhol & Horwath, provides a state-of-the-industry look at financial operating data. The report (CS 959) is available to association members for $36 and to nonmembers for $72. This includes shipping and handling charges (overseas orders require a 20 percent surcharge). All orders must be prepaid.

To order, send a check or money order to the National Restaurant Association Publications Department, 1200 Seventeenth Street, N.W., Washington DC 20036. For credit-card orders, call the association's Information Service and Library between 9 a.m. and 5 p.m. (Eastern Standard Time) at 1-800-424-5156 or (202) 331-5900 in Washington DC.

Selected income and expenses* per seat by average check at full-menu tableservice restaurants, 1988

Moderate-check establishments reported the highest pretax income

	Average check		
	Less than $5 per person	**$5 to $9.99 per person**	**$10 or more per person**
Total sales	$4,758	$5,159	$5,200
Total cost of sales	1,670	1,834	1,805
Gross profit	3,121	3,284	3,286
Total income	3,140	3,428	3,485
Total controllable expenses	2,427	2,580	2,751
☐ Payroll	1,560	1,423	1,481
☐ Employee benefits	199	169	222
☐ Direct operating expenses	281	285	338
☐ Music & entertainment	8	11	29
☐ Advertising & promotion	59	93	112
☐ Utilities	178	179	164
☐ Administrative & general	170	234	212
☐ Repairs & maintenance	76	83	95
Total occupation costs	366	359	392
Interest	46	36	69
Depreciation	133	132	116
Other deductions	17	53	89
Net income before income taxes	154	189	83

* *median values*

Source: National Restaurant Association restaurant industry operations survey, 1989

Selected employee information* at full-menu tableservice restaurants, 1988

Full-menu tableservice restaurants with an average check of $10 or more employed 36 full-time-equivalent employees

	Full-time-equivalent employees			Amount per full-time-equivalent employee		Average daily seat turnover
	Total	**Per 100 seats**	**Per 100 daily covers**	**Total sales**	**Total payroll**	
Average check						
Under $5	25.9	16.7	8.4	$24,874	$ 8,224	1.9
$5–$9.99	29.5	17.9	9.3	28,780	9,330	2.0
$10 or more	36.0	15.7	18.4	32,638	10,542	0.8

** median values*

Source: National Restaurant Association restaurant industry operations survey, 1989

the $5,200 total sales per seat for higher-check establishments. Total income per seat was $3,428 at moderate-check establishments, again virtually equal to the $3,485 per seat basis at higher-check restaurants. Yet, controllable expenses on a per seat and ratio to total sales basis were larger at higher-check establishments. For example, payroll, benefit expenses, direct operating expenses (such as flowers, music, tableware, linens and uniforms) and advertising/promotion costs were higher at full-menu tableservice restaurants with an average check of $10 and above, compared to moderate-check establishments. With total per seat income and per seat sales virtually identical, pretax income at the higher-check restaurants was squeezed by these larger controllable expenses.

Larger staff at higher-check places

One factor behind higher-check tableservice restaurants posting larger controllable expenses is the increased emphasis on service at these establishments. Consequently, staffing demands are often larger. Full-menu tableservice restaurants with an average check of $10 or more had the greatest number of full-time-equivalent employees in 1988—36.0. Establishments with an average check under $5 employed the fewest individuals on a full-time-equivalent basis—25.9.

Tableservice restaurants with the highest average check also had the highest median payroll per full-time-equivalent employee in 1988—$10,542. Lower-check establishments reported a total payroll cost of $8,224 per full-time-equivalent employee.

—Hudson Riehle

Restaurant advertising and promotions

According to a special analysis of the National Restaurant Association 1989 industry operations survey data, restaurants are spending more on advertising and promotional expenses, especially on couponing and restaurant specials.

In 1988 fast food establishments spent $0.18 per customer visit on advertising and promotions, and tableservice establishments spent $0.15, according to a special analysis of the association's 1989 industry operations survey data. Multi-unit franchisee-operated establishments spent more than independents—$0.34 per customer visit, compared to $0.17 per customer visit at full-menu tableservice establishments. A much lower $0.05 was allocated per customer visit in independent fast food establishments than at independent full-menu tableservice restaurants—$0.16.

There were similarities between fast food and tableservice advertising and promotional spending, however. In both types of establishments, per customer spending on advertising and promotions increased as the establishment's sales volume increased. In addition, establishments in the Southern region of the United States spent the most per customer on advertising and promotions; Western establishments spent the least.

On a per seat basis, restaurant spending on advertising increased between 1987 and 1988. Fast food median advertising and promotional costs were $267 per seat in 1988—up 19 percent from $225 in 1987. Limited-menu tableservice restaurants also showed a substantial increase in advertising and promotion expenses, rising from $103 per seat in 1987 to $118 per seat in 1988. Cafeterias increased their spending, from $57 in 1987 to $60 in 1988, but at full-menu tableservice restaurants the amount spent on advertising and promotions dropped from $100 per seat in 1987 to $94 per seat in 1988.

The use of promotions is heating up

Tougher competition within the foodservice industry has led to a greater use of promotional strategies, designed to build customer traffic. Restaurant patrons are purchasing restaurant food with promotions more than ever before, as foodservice operators seek to increase traffic and promote new menu items.

According to CREST,* the percent of industry occasions identified by cus-

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**CREST stands for Consumer Reports on Eating Share Trends, a division of one of the NPD marketing companies.*

tomers as being on deal** rose to 18 percent in 1989—up from 17 percent in 1987. Industry promotional occasions occurred primarily at fast food establishments—21 percent of fast food occasions involved a promotion in 1989, up from 19 percent in 1987. By comparison, promotional activity in the midscale and upscale segments was virtually unchanged from 1987: 14 percent of midscale occasions and 13 percent of upscale occasions involved a promotion.

Several types of fast food restaurants stand out as having a high percentage of deal occasions. In 1989 pizza restaurants had the highest percentage of deal occasions (36 percent), followed by fish/seafood restaurants (28 percent), chicken places (27 percent), Mexican establishments (25 percent) and hamburger restaurants (21 percent).

Who uses promotions, when?

Certain demographic groups are more likely to use promotions than others. Restaurant promotions are appealing to households with children, especially at fast food establishments. In 1989, 26 percent of fast food occasions for parties with children involved a promotion, compared to 19 percent for adult-only parties. At pizza restaurants 46 percent of occasions involved a promotion for parties with children, compared to 30 percent for adult-only parties. Donut, barbecue and Mexican restaurants also had a higher deal use for parties with children.

However, in 1989 promotional usage at midscale restaurants was virtually equal for adult-only parties (14 percent) and parties with children (13 percent), except at fish/seafood, Italian and barbecue establishments, where parties with children used promotions more frequently. At upscale restaurants promotions were used on 13 percent of restaurant occasions for all parties.

According to a special CREST study, promotional usage was most prevalent among patrons older than 65 and younger than 18. In 1988 the percentage of eater occasions*** involving a promotion was 24 percent for patrons under 18 years old, 18 percent for patrons between 18 and 64, and 26 percent for those 65 and older. Women were slightly more likely to use deals than were men (nearly 21 percent, compared to 20 percent)—especially women between the ages of 25 to 64.

Industry deal occasions were especially high at dinner—24 percent of all dinner occasions in 1989 involved a promotion—an increase from 22 percent in 1987. Seventeen percent of lunch occasions and 15 percent of breakfast occasions involved a promotion—an increase of one percentage point for both meal periods from 1987. Deal use during snacking rose to 12 percent, up two percentage points from 1987.

Advertising and promotions costs* per customer

In 1988, establishments with a higher sales volume, located in the South or operated by a franchisee spent more cents on advertising and promotions per customer

Advertising and promotion costs	Fast food place	Full-menu tableservice restaurants
All establishments:	$.18	$.15
Food only	.18	.06
Food and beverage	.24	.19
Affiliation:		
Single-unit–independent	.05	.16
Multi-unit–company-operated	.11	.14
Multi-unit–franchisee-operated	.34	.17
Region:		
Northeast	.18	.19
North Central	.14	.15
South	.41	.22
West	.11	.10
Sales volume:		
Less than $400,000	.05	n/a
$400,000 to $749,999	.12	n/a
$750,000 plus	.25	n/a
Less than $500,000	n/a	.10
$500,000 to $999,999	n/a	.12
$1 million plus	n/a	.19

* *median amount*

n/a = not available

Source: National Restaurant Association restaurant industry operations survey, 1989

Many different types of promotions

Promotions come in a variety of forms, such as two-for-one coupons, restaurant specials and senior discounts. The most popular promotional tactic in 1989 was couponing, which represented 38 percent of all deals—up one percentage point from 1987. The use of coupons increased between 1987 and 1989 at breakfast, dinner and snacks, but not at lunch.

Restaurant specials represented 27 percent of all deals in 1989—up two percentage points from 1987. The increase in restaurant specials was especially evident during lunch and dinner meal periods and was driven by fast food establishments. In 1989 buy-one-get-one-free and combination promotions (such as two-for-the-price-of-one) captured 12 percent of all deals. Senior discounts represented 10 percent of all promotions, and all remaining deals represented 13 percent.

Different types of restaurants preferred different promotional tactics. For example, coupon-deal incidences—both direct mail and newspaper/magazine coupons—were higher at fast food establishments. In fact, in 1989 couponing represented 42 percent of all fast food promotions and was especially prevalent in pizza, fish/seafood, sandwich and chicken restaurants. By comparison, the share of coupon-deal incidences was lower at midscale and upscale establishments (22 percent and 30 percent respectively).

***The term "deal" in CREST refers to a consumer-recognized special offer. Some restaurants may use price reductions on menu items as a long-term promotional tactic. In this scenario, it is the consumer's perception that decides whether or not this is the restaurant's standard price or a promotional offer (deal).*

****An eater occasion is one meal eaten by one pers*

Promotions by type of restaurants—1989

In 1989, more than one in five fast food occasions involved the use of promotions

Types of promotions used	**Percent of restaurant occasions on which promotions were used**		
	Quickservice	**Midscale**	**Upscale**
Total	21%	14%	13%
Total coupons	10	3	4
☐ newspaper/magazine	4	1	1
☐ by direct mail	3	1	1
☐ all other*	3	1	2
Restaurant special	6	5	5
Buy-one-get-one free/ combination deals	3	1	2
Senior discount	2	3	1
All remaining types**	3	2	2

* *Includes coupons received in the store, at another place and all remaining*

** *Includes employee discounts, merchandise and other types*

Note: *Multiple use of promotions may occur in one transaction. Therefore, the sum of the types of promotions may be more than the total.*

Source: NPD/CREST Annual Household Report

More coupons were used at family-steak, Italian and casual-dining Mexican restaurants than at other midscale tableservice establishments.

A larger share of restaurant specials was used at midscale and upscale establishments (36 and 35 percent respectively) than at fast food places (25 percent). Restaurant specials were more popular in fast food Asian, fish/seafood and chicken establishments, midscale Asian restaurants and upscale barbecue and steak restaurants.

Senior discounts captured a much larger share of midscale deals (20 percent) than quickservice promotions (8 percent) or upscale promotions (4 percent). Midscale family-style and family-steak establishments were especially popular for senior discounts. Buy-one-get-one-free or combination deals captured a larger share (16 percent) of upscale deals than quickservice (13 percent) or midscale (9 percent) promotions.

Advertising expenditures

Restaurants are major spenders for advertising. According to Leading National Advertisers, restaurants, hotel dining rooms and nightclubs spent $1.6 billion**** on advertising in 1989 (excluding ad production costs, cost of the ad agency, public relations firm costs, etc.).

Although few chains are large enough to use television advertising, restaurants and drive-ins spent $838 million**** on television advertising in 1989, according to the TV Bureau of Advertising. This represents a 16 percent share of all television advertising sales and a 4 percent increase over the 1988 amount of $804 million. Restaurants and drive-ins were the number-one spender for television advertising, while food stores and supermarkets posted a distant second place—spending $341 million.

Newspapers are an alternative to the high cost of television advertising. According to the Newspaper Advertising Bureau, eating and drinking places spent $168 million**** on newspaper advertising during the first nine months of 1989—up nearly 4 percent from the $162 million spent in the first three-quarters of 1988. Department stores, furniture stores, and theaters spent much more. Food stores spent $950 million during the first three quarters of 1989, down 3 percent from 1988.

Radio advertising is also often used by restaurants. According to the Radio Advertising Bureau, restaurants spent $99 million**** in radio advertising in 1988 and $85 million during the first nine months of 1989. In addition, restaurants accounted for 7 percent of total advertising expenditures in 1989, ranking as the fifth-largest buyer of radio advertising. Not far behind,

Ideas for local store marketing

There are many innovative opportunities to promote a neighborhood restaurant. Some basic promotional concepts include off-premises and in-store marketing, cross-promotions (see feature story in this issue) and community involvement.

Off-premises promotions involve taking your business to customers. These opportunities may involve a food booth at a fair or carnival, a concession at local high school sporting events, catering lunch or dinner meetings for different groups or clubs and even company picnics. A letter and follow-up phone-call campaign can be effective in creating awareness of a restaurant in various potential groups.

In today's competitive market a restaurateur must actively and continually communicate with customers. In-store marketing involves developing point-of-sale materials to tell customers about new products, special prices or seasonal promotions, and can include gift certificates, customer comment cards, placement messages or even a "meet the chef" night. Employee training and motivation are also important parts of in-store marketing, and many restaurants create a contest as an incentive program for employees.

A cross-promotion is simply a technique for distributing coupons, discounts or messages about a restaurant by having someone else hand them out.

Community involvement is an essential aspect of local store marketing. A conscious effort must be made to collect information on charity and athletic events, neighborhood associations, city-improvement programs, school fundraising efforts and special seasonal events. Learning to donate products or coupons, not dollars, is essential. This way a restaurant can increase name identification and create a positive image without spending too much money.

Source: National Restaurant Association, *Promoting the Neighborhood Restaurant* ranking sixth, were supermarkets, at 6.7 percent.

*****May not be representative of the entire industry.*

Another popular medium is billboard advertising. Based on data from the Institute of Outdoor Advertising, restaurants, hotel dining rooms and nightclubs spent $68 million**** on billboard advertising in 1988, an increase of 6 percent from 64 million in 1987. During the first three-quarters of 1989, restaurants, hotel dining rooms and nightclubs spent $55 million on billboard advertising.

Alternatives to standard advertising

Many restaurant operators have found they need not limit themselves to standard advertising and promotional ideas. Many are finding increasingly attractive marketing opportunities in the nation's fitness craze by sponsoring local and national sporting events or an athletic team.

In a 1987 National Restaurant Association Gallup survey, 59 percent of restaurant managers said they promoted their establishment by sponsoring a community event. In addition, almost half (48 percent) said they sponsored a team. In fact, 18 percent used each of these mediums regularly. Operations with higher daily customer counts tended to sponsor community events to a greater degree than those with lower traffic volumes. In addition, independents were more likely than chains to sponsor teams, perhaps reflecting the closer ties these operations have to their communities. Distributing fliers and advertising in a restaurant guide or magazine were other popular alternatives.

—Elizabeth Gordon

Kid power: a look at children 6 to 17

In April 1990 "Foodservice Trends" looked at the growing market of young customers under six. This month the focus is on children between six and 17 years of age.

There are an estimated 41.9 million U.S. citizens between 6 and 17 years old. As a group, their number is expected to grow 6.6 percent between 1990 and 1995, faster than the 3.9 percent growth for the population as a whole. If these Bureau of the Census projections hold true, children between 6 and 17 years old will account for 17 percent of the total U.S. population at the turn of the century.

Kid power

Aside from their impressive numbers, these children wield a considerable amount of influence on the decisions that their families make, particularly when it comes to choosing restaurants.

A 1989 study by the Roper Organization for *USA Weekend* of families with children between 7 and 17 years old found that 78 percent of the parents surveyed felt their children have a lot or a fair amount to say about where the family goes for fast food. More than half (55 percent) of the responding parents said that their children influence the family's choice when the dinner destination is a full service restaurant.*

Part of the reason why children in this age group exert so much influence on the family's eating-out decision is that their parents often feel that their children are the "experts" of the family. The Roper Organization survey found that 42 percent of parents with kids between 7 and 12 years old and 54 percent of parents with children between 13 and 17 years old perceived their children as being the "household experts"—the family member with the most knowledge—about fast food. Conversely, only 18 percent of fathers and 20 percent of mothers were considered the family's fast food expert.

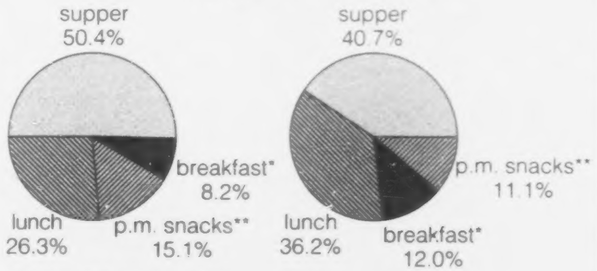
For more formal restaurant dining decisions, children were less often considered the most knowledgeable members of the family by their parents. Only 4 percent of parents indicated their 7 to 12-year-old child was the restaurant expert in the family, as did 10 percent of parents with a child between 13 and 17 years old.

Children's influence

Not only do children play an important role in family decisions, they also influence family spending, including family spending on food away from home.

Proportion of restaurant eater occasions by meal period, 1988

Kids between 6 and 17 years old had a higher proportion of visits to restaurants for supper than the population as a whole



Six to 17-year-olds **Total population**

* also includes morning snacks
** includes afternoon and evening snacks

Source: National Restaurant Association NPD CREST special study, 1988

According to the Bureau of Labor Statistics' *1988 Consumer Expenditure Survey,* husband-and-wife families whose oldest child is between 6 and 17 years old spent an estimated $31 billion per year on food away from home. In 1988 this translated into 40 percent of annual family expenditures on all food, or $538 per person per year. More-

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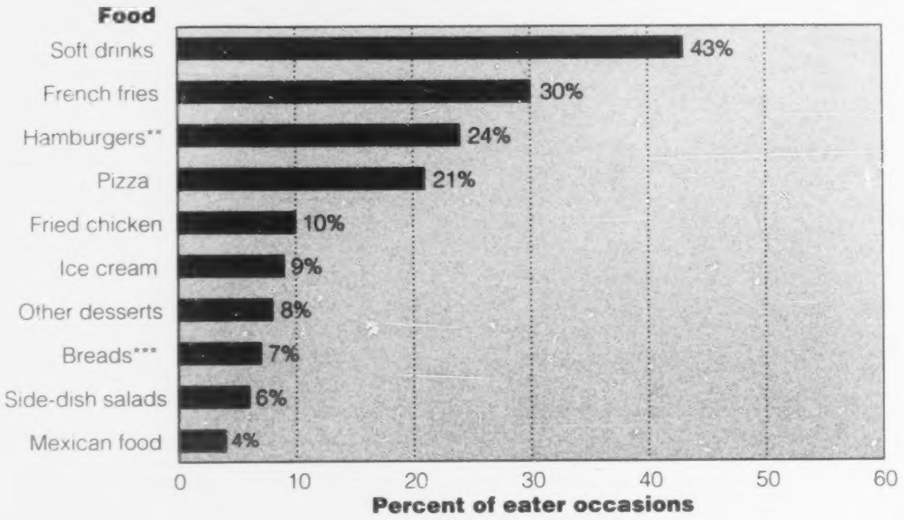
**Copyright 1989 USA Weekend/Roper Organization*

What do 6 to 17-year-olds order at restaurants?*

Soft drinks, french fries, burgers and pizza were ordered on more than one out of five restaurant visits by kids between 6 and 17 years old



*expressed as percent of eater occasions on which food item was ordered
**includes cheeseburgers
***includes all breads, such as biscuits, toast or other side orders of bread
Source: National Restaurant Association NPD CREST special study, 1988

over, although these families accounted for 15 percent of all consumer units in the United States, they accounted for more than 20 percent of all spending on food away from home.

The higher amount of spending on food away from home by families with children between 6 and 17 years old is not surprising. According to a 1988 National Restaurant Association CREST special study, these youngsters accounted for more than 12 percent of all restaurant traffic, making them the third-largest group of restaurant patrons after 25 to 34-year-olds and 35 to 44-years-olds.

Consequently, the size and spending power of this children's market makes them attractive to restaurateurs seeking to expand their market share. In order to attract these children, however, it is important to understand their eating patterns at restaurants. A special 1988 National Restaurant Association CREST study indicated several important tendencies for this age group.

Kids' occasions

One of the primary differences between children and overall restaurant patrons is when children visit restaurants. Half (50 percent) of all restaurant eater occasions for children between 6 and 17 years of age were for supper, compared with 41 percent for the total population. Kids between 6 and 17 years old also showed a higher proportion of visits for afternoon and evening snacks than restaurant patrons in general. Fifteen percent of eater occasions for children between 6 and 17 years old were for afternoon and evening snacks, compared with a lower 11 percent for all restaurant visits.

Conversely, children in this age group reported a smaller proportion of their total restaurant visits at lunch (26 percent versus 36 percent) and breakfast/a.m. snacks (8 percent versus 12 percent).

Along with the difference in eater occasions by meal period is the time of the week during which children between 6 and 17 visit restaurants. In total, weekend eater occasions by children in this age group outweigh weekday eater occasions 55 percent to 45 percent. For all restaurant patrons, the reverse is true—56 percent of eater occasions were during the week and 44 percent were on the weekend. This is largely due to the difference in the proportion of visits for certain meal periods.

Two meal periods, breakfast and supper, were more weekend-oriented for the 6 to 17-year-old age group. Sixty percent of breakfast eater occasions and 58 percent of supper eater occasions for these children were on the weekend. School attendance and other weekday time constraints certainly play a role in increased breakfast and supper occasions on the weekend. Lunch and snacks in the afternoon and evening were equally popular with kids on weekdays and weekends, with 50 percent of eater occasions taking place during the week and 50 percent taking place on the weekend.

For restaurant patrons in general, the proportion of both breakfast and lunch eater occasions was higher during the week—59 percent and 70 percent, respectively, as were afternoon and evening snacks, 55 percent of which occurred on weekdays. This may be attributable to working adults grabbing a quick breakfast on the way to work, eating out for lunch or buying a small afternoon or evening snack while running errands or between commitments. Kids, on the other hand, eat many of their weekday lunches at school cafeterias, which were not covered by the CREST survey.

The foods that 6 to 17-year-olds order at restaurants also reflect the high incidence of supper and afternoon and evening snack visits. According to CREST, soft drinks, french fries, hamburgers and pizza were ordered on more than one out of five eater occasions by these patrons. Any of the four could be consumed either as a snack or with a meal.

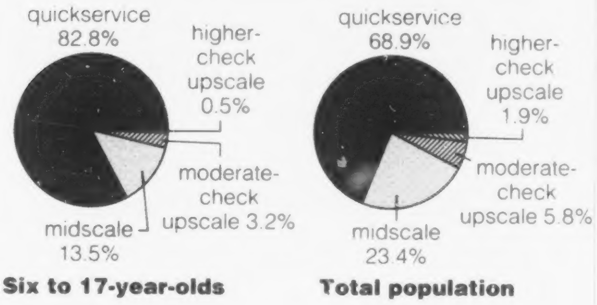
Popular meals

Not only do children have a greater likelihood of visiting restaurants for certain meal periods and on certain days of the week, they also visit different types of restaurants, when compared to other consumers.

It would not surprise many operators to find out that quickservice restaurants captured the largest portion of eater occasions among children 6 to 17 years old. According to the 1988 National Restaurant Association special CREST

Breakdown of restaurant eater occasions by industry segment, 1988

Children between 6 and 17 years old have a higher proportion of restaurant visits to quick-service places than does the population as a whole



Source: National Restaurant Association NPD CREST special study, 1988

Who is the food expert*?

Many parents said their children were the experts when it came to fast food

	Percent who say member is expert on	
Family member	**fast food places**	**sit-down restaurants**
Father	18%	36%
Mother	20	40
Child 7 to 12**	42	4
Child 13 to 17**	54	10

**defined as family member named by parent as having the most knowledge in that area*
***only of those families with children in those age brackets*

Source: © The Roper Organization, Inc. *Between Parents and Children: A USA Weekend/Roper Report on Consumer Decision Making in American Families*, 1989

study, 83 percent of restaurant visits by children in this age group were to fast food places, a higher proportion than the 69 percent of restaurant visits for all consumers. Familiarity with these establishments plus short waiting periods for food and service may make these spots attractive for parents with children.

Smaller proportions of kids' restaurant visits were to midscale and moderate-check upscale restaurants, where kids visited about half as often as all restaurant patrons. However, 6 to 17-year-olds reported virtually no visits to higher-check upscale restaurants. Less than 1 percent of their total eater occasions were to these fine-dining establishments. This lack of patronage at higher-check upscale restaurants could be due in part to the slower pace of service at many of these restaurants, which may be too relaxed for fidgety children.

This "need" or "desire" for convenience at restaurants for children and their parents can also be seen in the larger proportion of off-premises occasions among children between 6 and 17. More than half (56 percent) of all eater occasions for 6 to 17-year-olds were off-premises. This compares with 46 percent of all restaurant eater occasions.

In addition, the National Restaurant Association study, *Dinner Decision Making*, found that delivery from a restaurant had the highest proportion of parties with children of any of the seven dinner scenarios. Forty-seven percent of those people who had dinner delivered in the 30 days preceding the survey dined with children under 12, and another 13 percent were joined by children between 13 and 17. Carryout diners—consumers who purchased prepared food from a deli or grocery store—and those who had eaten dinner at a fast food restaurant were also frequently accompanied by children.

Not surprisingly, the association's *Dinner Decision Making* study also indicated that a lower 17 percent of adults who went to dinner at a sit-down restaurant with a check of $10 or more per person ate with children 12 years old or younger. Children between 13 and 17 were part of only 6 percent of dinner parties at sit-down restaurants with a $10 or more per person average check.

This lower attendance of children, however, does not mean that there is not an interest in taking the children out to eat at more upscale establishments. According to a National Restaurant Association Gallup survey, 40 percent of adults surveyed said they would be likely to go to a casual** restaurant for dinner out with children. An additional 16 percent said they would be likely to take children out to dinner at a fine-dining establishment.**

Attracting youngsters

□ *Think of kid-oriented (but parents included) promotions.* Although children may be the target market, don't forget that children usually come to restaurants with their parents. Thus a successful restaurant promotion should include something for both age groups. A family weekday supper special for children who come in with their parents could be attractive to these patrons. A similar promotion might be popular for building weekday breakfast traffic on school holidays or during the summer.

Other promotions to build traffic among children might focus on report cards, where kids are rewarded for each "A" or "B" they receive.

□ *Keep kids in mind on the menu.* Since convenience and speed of service are important in dealing with children at restaurants, midscale and upscale operators could develop their "kid clientele" by offering foods that can be served quickly and that are relatively easy to eat.

In addition, it may be helpful to provide some sort of diversion to "speed up" the waiting time. Supplying crossword or other puzzles or sponsoring a contest of some sort, such as a design-your-favorite-meal or menu promotion, may appeal to teenagers as well as to younger children.

Servers may also wish to consider keeping extra napkins, straws and flatware on hand, because they are often dropped by children.

—Nancy Michalski

***A casual restaurant was defined as one where waiters and waitresses serve a wide variety of menu items in an informal, relaxed atmosphere. Aside from having no dress code, the per person check ranges from $8 up for dinner. Alcoholic beverages are served and credit cards are accepted. Fine-dining restaurants were defined as having a dinner check of $20 or more per person, elaborate meals and a dress code. Alcoholic beverages are served, and credit cards are accepted.*

Spotlight on summer travel

Travel and tourism peak during the summer months, providing restaurateurs with an opportunity to boost customer counts. According to the U.S. Travel Data Center, preliminary signs for summer travel in 1990 bode well, especially after last year's sluggish showing.

It's no surprise that vacation travel increases during the months of June, July and August. According to the National Travel Survey by the U.S. Travel Data Center (USTDC), of the 857 million vacation person-trips* U.S. residents took in the United States between September 1988 and August 1989, 38 percent were taken during the summer. Business and convention travel and weekend travel also escalate during the summer, although not to the extent of vacation travel. Thirty percent of business/convention travel (69 million person-trips) and 32 percent of weekend travel (182 million person-trips) occurred during the summer of 1989.

Hotel occupancy rates and air travel were also up in the summer. According to the American Hotel and Motel Association, in 1989 the average hotel room occupancy rate was 70 percent in June and 72 percent in July, compared to the 1989 average rate of 64 percent. And the Air Transport Association reports there were 120.1 million passengers during summer 1989 on U.S. scheduled airlines, compared to 105 million passengers during fall 1989 and 97 million during winter 1989. Thus, there is little doubt that the summer months are a prime time for vacation travel.

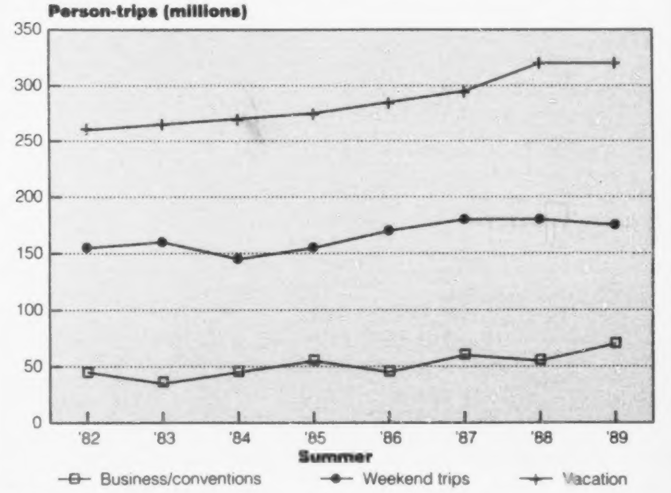
Summer 1989 was sluggish

However, summer 1989 was not a stellar travel season; the overall travel volume was the same as that in summer 1988. Even weekend travel, traditionally an area of steady growth, was flat in summer 1989. The USTDC cites price increases as a possible reason for the sluggish showing. (See accompanying interview.)

On the international front, summer 1989 showed signs of slowing American travel abroad. According to the U.S. Travel and Tourism Administration, summer travel by Americans to overseas regions, Canada and Mexico was down 3 percent between summer 1988 and summer 1989. Still, U.S. travel abroad peaks during summer months, and 11.6 million travelers found their way abroad last summer.

Summer travel trends

Vacation and weekend travel rose steadily through the 1980s, peaking in 1988



Source: U. S. Travel Data Center's *National Travel Survey*

Increase in foreign visitors

More foreign visitors arrive in the United States during summer months than at any other time. In 1989, 10.2 million or one-third of the 30.6 million foreigners coming to the United States arrived between June and August. More than half (52 percent) of the arrivals in summer 1989 were from Canada, 19 percent were from Western Europe, 12 percent were from Asia, and the remainder were from various other places.

Between summer 1988 and summer 1989 there was an 8 percent increase in total foreign arrivals to the United States, although the advance was lower than during other seasons. Certain countries increased travel to the United States more than others. Between summer 1988 and summer 1989, 14 percent more foreign visitors came to the United States from Asia, and 20 percent more visitors came from the United Kingdom. Although they represent a small portion of overall visitors, Eastern Europeans increased their visits by one-third.

Foreign visitors spent $43.8 billion in the United States in 1989, including payments to U.S. airlines, according to Don Wynegar, director of research for the U.S. Travel and Tourism Administration. This was the first time they spent in excess of what Americans spent abroad—by $1.2 billion. Japan was the biggest spender in 1989; Japanese visitors spent in excess of $8.3 billion (including payments to U.S. carriers). Canadian visitors spent $5.5 billion; the United Kingdom $4.6 billion; and Mexico $3.6 billion. The number of international visitors to the United States in 1990 should increase by 6 percent.

Local cuisine popular

According to the 1990 Travel USA study conducted by Longwoods International, Inc., 20 percent of Americans traveling in the past year sampled foods unique to the area when on vacation. The percentage of vacationers trying local cuisine jumped to 31 percent for those on tour or staying in a resort; 26 percent if the trip was in a city; 16 per-

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**One person on a trip. If one person reported three different trips, his/her travel was counted as three trips. If three persons from a household go together on one trip, it will be counted as three person-trips. A trip must be at least 100 miles away (one way).*

cent if visiting friends or relatives; and 8 percent if the vacation was outdoors (such as camping). Furthermore, 68 percent agreed with the statement, "When vacationing I like to try new foods and dishes."

In addition, in 1989, 22 percent of Americans dined in an elegant restaurant when on vacation. The percentage was higher for people staying in a resort (38 percent) or in the city (35 percent) than for people visiting friends and relatives (13 percent) or staying outdoors (10 percent).

Summer traffic and sales increase

An analysis of quarterly CREST data between 1987 and 1989 reveals that tnere was more traffic in restaurants during the summer months than during any other season. Using an index of 100 to represent the average quarterly traffic over the three-year span, the average summer traffic index was 112, compared to 91 in winter, 99 in spring and 97 in the fall. Another way to measure summer restaurant traffic is to look at its share. Over the three-year span, summers captured an average of 28 percent of restaurant traffic each year.

Similarly, traffic in hotel restaurants advanced during the summer. In 1989, 30 percent of the midscale and upscale hotel dining traffic took place in the summer.

According to data from the Department of Commerce, sales at eating and drinking establishments peak during the summer months. For instance, using an index number of 100 to represent average monthly sales, the 1989 index for eating and drinking place sales was 108 in August and 107 in July, compared to 99 for April and 91 for January. Although eating-and-drinking place sales clearly advance during the summer, the increase is still less seasonal than for other industries, such as automobile dealers or department stores, where sales peak around the holidays.

Modes of travel

Most people travel by car when vacationing. According to the USTDC, 82 percent of all summer vacation person-trips in 1989 were by car, truck or recreation vehicle, compared to 61 percent for business travel. Fifteen percent of summer vacation person-trips were by air, and the remaining 3 percent were by bus or other travel mode. Equal portions of summer vacationers stayed in a hotel or motel (42 percent) or with friends or relatives (41 percent).

In summer 1989 only the Southeast region registered gains in traffic volume; all other regions posted declines, especially in the Midwest. In 1989, 32 percent of all summer person-trips taken in the United States were in the Southeast—up from a 25 percent share in summer 1988. Almost one-quarter (23 percent) were in the West, 18 percent were in the Midwest, 14 percent were in the Northwest and 13 percent were in the Great Lakes region.

Parties with children

Children are an important part of vacation travel. In 1989, 41 percent of vacation summer person-trips were parties with children. Kids were present on 36 percent of weekend person-trips and 16 percent of business trips. *—Elizabeth Gordon*

Travel trends

An interview with Suzanne Cook, executive director of the United States Travel Data Center

Restaurants USA: *Why was summer travel flat in 1989?*

Suzanne Cook: Summer 1989 saw a [travel] plateau after a major growth spurt. There was a decline in the duration of stay, and we might have reached the upper limit on how many nights we can expect Americans to stay away from home when traveling. Travelers seem to be spreading their vacation around rather than taking one long trip. In addition, there was a sharp increase in travel prices, particularly gas. Although summer definitely dominates travel, there is greater growth in other seasons, especially in winter.

RUSA: *What will happen this summer?*

Cook: Although no formal predictions have been made, it looks like it's going to be a good year. The preliminary signs are positive, as the United States showed strong growth rates early this year. Also consumer confidence, which is strongly tied into spending, is back up. Two important indicators of travel are the travel price index and the consumer confidence level. Consumers are attuned to prices, and in the 1980s they were trained to get a bargain. This has put pressure on the travel industry.

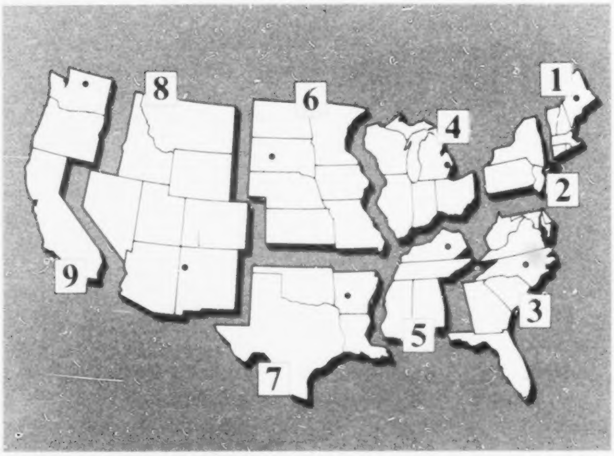
RUSA: *What's happening with parties with kids?*

Cook: All sectors of the travel industry are attuned to families with children. The industry has made families more important in travel, and family vacations will be more popular in the 1990s. The sociology of our nation as well as the rising education level are conducive to traveling with children. However, parents are likely to take some trips without their children.

RUSA: *Will an increased number of Americans traveling abroad affect domestic travel?*

Cook: No. The American travel market is very large; there are 1.3 billion person-trips each year and only 3 percent go outside of the United States. We will see more growth in travel to Europe, but it will not affect overall travel. However, certain destinations, such as Hawaii, could be affected more easily because of the long distance.

"Family vacations will be more important in the 1990s."



1 NEW ENGLAND

Location: Skowhegan, ME
Association member: Florence Sterns
Operation: The Village Candle Light
Profile: Upscale dining
In business: 28 years
Seats: 150
Meals served: Lunch, dinner

Business at The Village Candle Light is slow in the winter, except for private parties and banquets. But warmer weather brings tourists who are on their way to Quebec. And in the fall, as many as nine tour buses a day stop at the restaurant. The favorite dinner for these guests, says chef/owner **Florence Sterns,** is the New England Boiled Dinner—corned beef, carrots, potatoes, turnips and beets, with apple cobbler for dessert.

But the restaurant is best known for fresh fish, which it gets from the coast, 60 miles away. Of course, Maine lobster is a favorite; so, too, are sauteed scallops in puff pastry and a seafood medley in parchment with julienned vegetables.

Sterns says her business is doing quite well, especially when compared to reports from other parts of the country. "Either the hard times haven't hit here, or New Englanders are just used to it," she says.

2 MID-ATLANTIC

Location: Island Park, NY
Association members: Gary Greco, Diane Bryan
Operation: Left Bank Cafe
Profile: Casual midscale cafe
In business: 13 years
Seats: 130
Meals served: Lunch, brunch, dinner

Located in a village on the south shore of Long Island, this restaurant began as a 50-seat wine-and-cheese cafe. Now the light and airy establishment, with cathedral ceiling, oak bar and sliding glass doors that separate the main dining room from an outdoor cafe, has 130 seats and offers patrons an extensive menu.

There is a Cajun touch to the dishes; the staff spent some time in New Orleans learning firsthand from that city's famous restaurateurs how to prepare such specialties as shrimp creole, chicken and andouille gumbo, po'boy sandwiches and a variety of blackened entrees. For the health conscious, there is a "Heart Smart" section. One of the featured items is sliced chicken breast sauteed with arugula, garlic, plum tomatoes and chicken broth and served over whole-wheat linguini.

Business is doing well, reports co-owner **Gary Greco,** even though restaurant business is down in the area. To be competitive, the Left Bank Cafe is keeping prices below what other comparable restaurants are charging and is promoting its Heart Smart menu and early-diner specials.

3 SOUTH ATLANTIC

Location: Raleigh, NC
Association members: Lottie Locke, Samuel Longiotti
Operation: Kanki Japanese House of Steaks
Profile: One of three Japanese-style midscale restaurants
In business: 17 years
Seats: 164
Meals served: Lunch, dinner

At Kanki's, in the growing metropolis of Raleigh, all food—with the exception of tempura and sushi—is cooked on grills in the center of tables that seat eight to 10.

Business in this year's first quarter was up 10 percent over last year's, reports the restaurants' president **Lottie Locke.** She credits promotions for part of the success. The restaurant offers specials to customers celebrating birthdays and anniversaries and has had a contest to see which employees could hand out the most discount coupons outside of the restaurant. Locke also works with schools to set up tours and a lunch at the restaurant. Last month she donated sushi to the city's museum for a special event.

4 EAST NORTH CENTRAL

Location: Grosse Pointe, MI
Association member: Frank Talerico
Operation: Clairpointe Restaurant
Profile: Casual, family-style restaurant
In business: 9 years
Seats: 75
Meals served: Breakfast, lunch, dinner

Grosse Point, close to Detroit, is the home of executives and sports stars. The Clairpointe Restaurant is in the village, surrounded by quaint little stores.

Sandwiches, shishkebab, fettucini, tortellini and Lake Superior whitefish are popular choices for local residents, and the restaurant is famous for its clam chowder.

Once a week the restaurant makes Jewish cracker bread—lavosh—a stiff, brittle bread made with cinnamon and sugar and served in long strips. It is included in the bread-basket mix and also sold for takeout.

Owner **Frank Talerico** reports business is good because he serves good food at reasonable prices.

5 EAST SOUTH CENTRAL

Location: Richmond, KY
Association member: James Foley
Operation: Bananas Tavern
Profile: Casual tavern
In business: 9 years
Seats: 75
Meals served: Breakfast, lunch, dinner

Richmond is 20 miles south of Lexington, in the heart of the Bluegrass region. Bananas Tavern, whose logo is "Place with A-Peel," is in a five-square-mile area that is the only place in the six surrounding counties where liquor can be sold. The tavern's neighbors are nine liquor stores and 22 bars.

Even though Bananas Tavern is in a college town, where 15,000 students attend Eastern Kentucky University, it is not a college hangout. Customers are more likely to be professionals who come for the food as much as for the drink. Owner **James Foley** reports the ratio of food to liquor sold is 50/50. In the past, liquor sales represented 85 percent of sales.

When drinking began to decline, Foley extended his menu. Local tastes are catered to with a Kentucky burger—ground beef topped with country ham and melted cheese—and Fettucini Country Ham Alfredo.

Business has been excellent, says Foley. There is a wait every night for the restaurant's seven booths (the remainder of seating is at the bar). Business was up 17 percent in January, 10 percent in February and 15 percent in March.

6 WEST NORTH CENTRAL

Location: Pierre, SD
Association members: Vernon Johnson, Bill Smart
Operation: The Lancer Room at King's Inn
Profile: Midscale restaurant in motel
In business: 20 years
Seats: 90
Meals served: Dinner

The Lancer Room is in the basement of a 104-room motel and convention center. Signature items are prime rib and steaks. There's also a variety of seafood, including a poor man's lobster—torsk (cod) served with melted butter. The restaurant is popular with hunters, who sometimes bring in geese or pheasants for the chef to prepare. "We like to roast the birds and serve them with orange sauce," says manager **Bill Smart,** "but we will prepare the game any way the customers want."

Business is fair, says Smart. There's lots of competition from other restaurants in Pierre, the state capital. Owner Vernon Johnson helps things by advertising in newspapers, on radio and in fishing and hunting magazines.

7 WEST SOUTH CENTRAL

Location: Hot Springs, AK
Association members: Jim Manning, Mike Jarrell, Trudy Moore
Operation: Coy's Steak House
Profile: Fullservice restaurant
In business: 45 years
Seats: 350
Meal served: Dinner

Coy's caters to an older crowd; Hot Springs, 45 minutes from Little Rock, is a retirement and tourist town. It is busiest when the horses are running next door at the Oaklawn Race Track. The restaurant has just added another room with a bay window so diners can see the track's tower.

To please older customers, a "golden-age" menu offers smaller portions at lower prices. Fifties and '60s music is played in the bar, and once a week there is dancing to Big-Band sounds.

Fresh seafood and beef aged for at least 30 days in special rooms at the restaurant are specialties. Homemade biscuits and honey are served with all meals.

Coy's uses promotions and advertising constantly. Direct mail is the most popular medium, with a mailing list of 14,000 names culled from cards distributed to diners. Marketing director **Trudy Moore** credits the added emphasis on local marketing for an upward trend in business.

8 MOUNTAIN

Location: Gallup, NM
Association members: Roberto Landavazo, Stanley Tafoya, Charlie Landavazo
Operation: El Sombrero
Profile: Restaurant specializing in "New Mexican" food
In business: 30 years
Seats: 120
Meals served: Breakfast, lunch, dinner

Food at El Sombrero is "New Mexican," which is not as spicy as Mexican or Southwestern. The restaurant's hot sauce is the one really hot item, but it is served on the side. The house special is sliced grilled beef on a folded flour tortilla with french fries, and a small green salad with the house dressing; hot chilies come on the side.

Gallup, in the extreme western part of the state, is in the heart of Indian country, near Navajo and Zuni reservations. Every August, a four-day inter-tribal Indian ceremony brings tourists and extra business to the town. Business is increasing, says assistant manager **Charlie Landavazo,** despite the shutdown of area uranium and coal mines, and the closing of the town's railroad switching station.

9 PACIFIC

Location: Chelan, WA
Association members: Dean Haggerty, David Gangestad, Sicely Trent
Operation: The Crockery
Profile: Family dining
In business: 10 years
Seats: 100
Meals served: Breakfast, lunch, dinner

The town of Chelan in eastern Washington, with its 55-mile-long lake, is already a resort town, but it is growing so fast citizens foresee it becoming another Lake Tahoe. Tourists from Seattle, Canada and even Europe come mostly in summer, which triples the population of 5,000. But winter activities, such as cross-country skiing and snowmobiling, are beginning to draw visitors too.

There is lots of competition for the tourist business, but The Crockery, off the main street, does well because it has a steady year-round clientele of locals. In fact, several groups meet there every morning for coffee and conversation. "Then they come back with their families later in the day to eat," says manager **Sicely Trent.** Trent says the restaurant offers service with a personal touch, something most competitors do not offer.

Steaks and seafood are the specialty. A garlic steak, top sirloin studded with garlic cloves before broiling, is a popular item.

The overall atmosphere is casual, and customers wearing shorts or bathing suits are welcome.

—Julie Fintel

Service with a light touch

For customers who can't find their servers when they need them, Rohrer Industries, Inc. of Santa Ana, California, believes it has the answer—Waiter Lite. The Waiter Lite is a small, unobtrusive fiber-optic lamp that the customer lights when he or she wants the server to come to the table. Rohrer claims the Waiter Lite dramatically increases customer satisfaction and can increase table turns by allowing guests to be served more efficiently.

The Waiter Lite comes in white, black or chrome and operates on batteries.

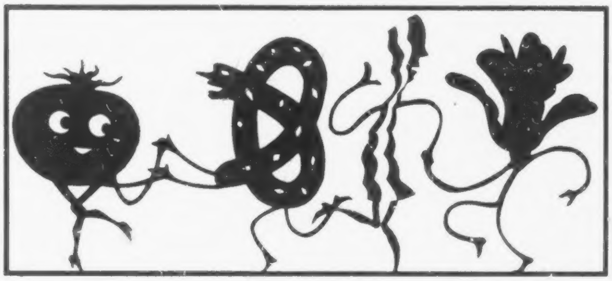
—Rohrer Industries, Inc.

Ordering one BLTP...

Bacon, lettuce, tomato and . . . a pretzel? An old standby is getting a new "twist" from J&J Snack Foods, Inc. of Pennsauken, Pennsylvania. The company is "rolling out" a soft pretzel bun in the hope that restaurants, supermarkets, convenience stores, school cafeterias and sports stadiums will find customers eager to try the new sandwich bread. J&J is the largest soft-pretzel company in the country and is credited with introducing the Philadelphia treat to the rest of the nation. J&J can only hope that the new pretzel buns will sell nearly as well as SuperPretzel—a large soft pretzel that accounts for 45 percent of the company's annual sales.

J&J is planning to promote its new product with ads that feature a new version of a Philadelphia classic—the "Pretzeldelphia cheesesteak."

—New Jersey Daily News



Practicing what she preaches

Dietitian Layne Lieberman of Cedarhurst, New York, has no trouble marrying her professional and personal lives. At least that was the case last summer when she was planning her own wedding reception. Lieberman runs a nutritional consulting and educational center and is often called upon to modify menus to reduce the fat and cholesterol content. When it came time to plan the meal for her own wedding, she had to put her money where her mouth was.

Calling upon all her expertise and with the help of a flexible and creative chef, Lieberman crafted a menu that included potato skins with caviar and yogurt and veal with shiitake mushroom sauce. To convince her skeptical father that the food would go over well with wedding guests, Lieberman held a sample dinner for her family. This pre-dinner dinner was helpful in fine-tuning the meal with a few substitutions and alterations as well as convincing her dad that nutritious food can be delicious.

The white chocolate mousse wedding cake was the one area that Lieberman found non-negotiable—she wouldn't reveal its calorie count.

—ADA Courier

Piroshkis and perestroika

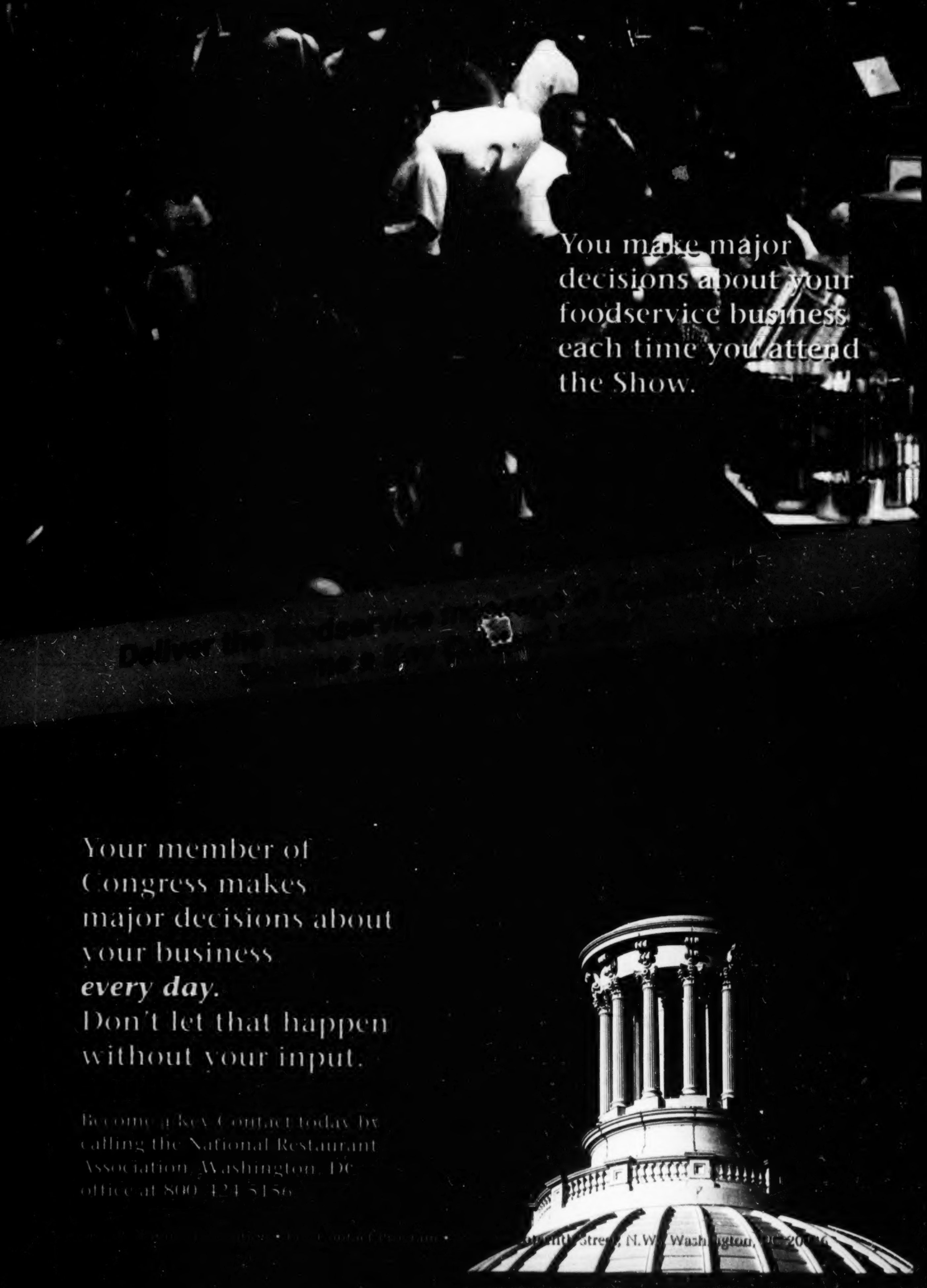
With Big Macs now in Moscow, it couldn't be long before Russian fast food made it to American shores; and with the opening of a piroshki restaurant in Norfolk, Virginia, it has become a reality. Piroshki is named for the traditional Russian snack—fried dumplings filled with meat or vegetables. Soviet citizens eat the piroshkis, which look like large eggrolls, on their way to work or for a quick meal.

Like many Soviet-U.S. ventures, the restaurant is a joint effort between an American company—Chesapeake International—and a Russian firm—Tomak-Kiev, manufacturer of food-processing equipment. Norfolk was chosen as the site of the first restaurant because of the warm welcome the city gave to Soviet sailors who visited the port last year.

The restaurant opened in early April to great fanfare, including the playing of both national anthems and servers dressed in native Russian garb distributing the piroshkis to curious customers.

Although it has a long way to go before catching up with the Golden Arches, the company hopes to open 10 additional franchises in the area in the near future and eventually hopes to go national.

—The Washington Times



You make major decisions about your foodservice business each time you attend the Show.

Deliver the [illegible] foodservice [illegible] become a Key [illegible]

Your member of Congress makes major decisions about your business ***every day.*** Don't let that happen without your input.

Become a Key Contact today by calling the National Restaurant Association, Washington, DC office at 800-424-5156.

[illegible] • Key Contact Program • [illegible] Street, N.W., Washington, DC 200[illegible]

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THE MONTHLY MAGAZINE OF THE NATIONAL RESTAURANT ASSOCIATION VOL. 10 NO. 6 JUNE/JULY 1990

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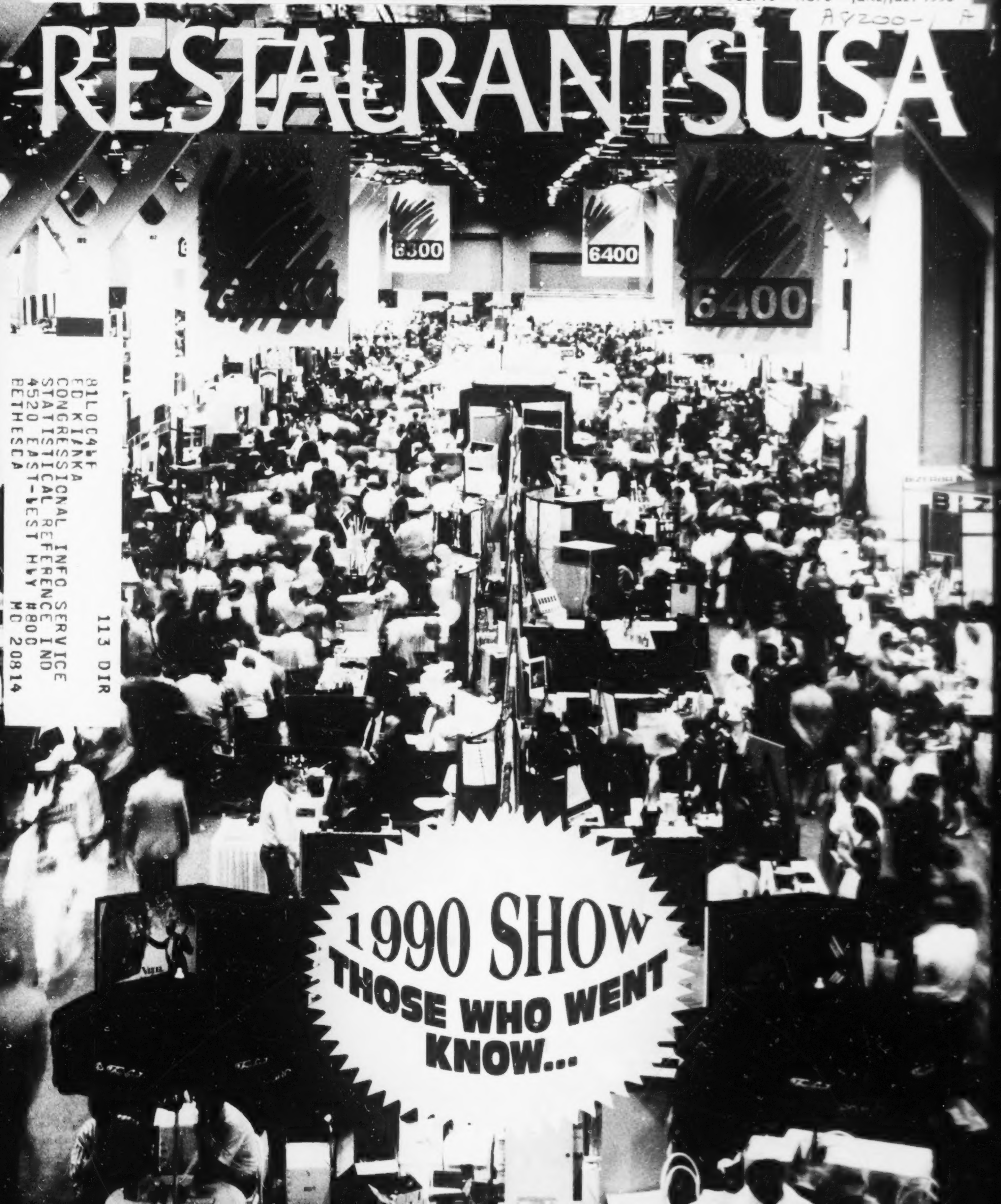

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1990 SHOW

THOSE WHO WENT KNOW...

ASSOCIATION MEETINGS

SEMINARS

Basic Foodservice Courses

Dining Room Management

7/30	Seattle, WA
7/31	Portland, OR
8/13	Princeton, NJ
8/22	Baltimore, MD
9/11	Minneapolis, MN
9/18	Charlotte, NC

Kitchen Management

8/6	Chicago, IL
8/13	Raleigh, NC
8/20	Lexington, KY
8/21	Knoxville, TN
9/17	Portland, OR
9/18	Tacoma, WA

Foodservice Management Courses

Applied Foodservice Sanitation

7/23	Lionville, PA

Food Cost Management

8/6	New Orleans, LA
8/7	Atlanta, GA
9/24	Tucson, AZ

Franchising for Growth

9/18	Los Angeles, CA

Healthy Profits through Nutrition

8/6	Boston, MA
9/10	New Orleans, LA

Marketing Strategy

9/17–18	Chicago

Off-Premises Catering

8/7–8	Washington, DC
9/10–11	Newark, NJ
9/17–18	San Francisco, CA

Profitability

7/16	Atlanta, GA
7/17	New Orleans, LA
8/20	Chicago, IL
8/21	Cincinnati, OH
9/17	Philadelphia, PA

Promoting Your Restaurant

9/10	Springfield, MA
9/11	Lancaster, PA
9/24	Tucson, AZ

Successful Buffet Management

9/10	Atlanta, GA
9/24	Chicago, IL

Takeout Delivers Profits

9/13	St. Louis, MO
9/24	Columbia, MD
9/25	Chicago, IL

The Labor Issue

8/14	Philadelphia, PA
8/20	Minneapolis, MN
8/21	St. Louis, MO

For information, contact:
Educational Foundation of the
National Restaurant Association
250 South Wacker Drive
Chicago, IL 60606
(312) 715-1010 or 1-800-522-7578

If your company is interested in our in-house programs, call or write to the attention of Jeff Harrison at the above address.

Note: *All Chicago seminars are held in the educational foundation's conference center at 250 South Wacker Drive.*

EXECUTIVE STUDY GROUP SERIES

Financial Officers
10/3–6 Captiva Island, FL

Foodservice Purchasing Mangers
10/25–26 Tampa, FL

Internal Auditors
9/11–14 Seattle, WA

Labor Relations/Human Resources
10/4–5 Chicago, IL

Large Independent Operators
10/10–12 Kansas City, MO

Management Information Systems
10/9–11 Denver, CO

Marketing Executives
10/17–20 Arlington, VA

Multi-Unit Architects, Engineers and Construction Officers (MAECO)
11/14–16 Miami, FL

Quality Assurance
10/1–3 San Antonio, TX

Safety Officers
8/6–8 Kansas City, MO

Tax Executives
10/3–6 Captiva Island, FL

For more information on specific study groups, contact: Philip Kralovec, (312) 853-2525.

The Executive Study Groups present semi-annual professional development programs for executives who would like to meet with their industry peers to share ideas and concerns. Executives in each of the afore-mentioned disciplines from member foodservice companies are welcome and encouraged to participate.

COURSES AND BOOKS AVAILABLE

Certification Courses

- Applied Foodservice Sanitation
- Applied Foodservice Purchasing
- Managing Quantity Food Production
- Management by Menu
- The Financial Ingredient in Foodservice Management
- Foodservice: A Managerial Approach
- Legal Aspects of Foodservice Management
- Foodservice Supervision: Achieving Success through People
- NEW! Effective Foodservice Marketing
- NEW! Introduction to the Foodservice Industry/ Introduction to Foodservice Management

Self-Development Courses

- Protecting Restaurant Profits: Managing Security
- Effective Communication
- Managing People
- Restaurant Operations and Control
- Restaurant Purchasing
- Bar and Beverage Management
- Helping People Grow
- Service: Managing the Guest Experience

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RESTAURANTS USA

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designed just
for members.

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for more details
in this issue!

PRESIDENT'S REPORT

Michael E. Hurst, owner
15th Street Fisheries, Ft. Lauderdale, FL

This is my first report to you as president of the National Restaurant Association. I look forward to working with you in the coming year. I know it will be a year of accomplishments that will benefit all of us who are part of the foodservice industry.

This year's Show the biggest

The figures are in. This year's Show, with 108,713 attendees, was bigger than ever. That should come as no surprise if you were there. The Show floor was always a sea of action with people from all over the country and even the world visiting the more than 2,000 booths.

There were, as usual, many fascinating exhibits. The new floor on the McCormick Place North lobby level drew crowds every day to its Seafood Center, the Wine and Spirit Way and the Illinois Pavilion. Thousands attended seminars to learn ways to improve their operations and how to face the challenges of the '90s. And there were always crowds watching the exciting ice carving competition and the chefs' tryouts for Culinary Team USA.

If you didn't make it to the Show this year, start planning now to attend next year. It's a sure way to find out what's happening in the industry.

Kickoff of "We're Glad You're Here!" campaign

At the Show we announced the return of the "We're Glad You're Here!" campaign. The time is ripe. Our industry is faced with greatly increased competition. More restaurants are dividing the consumer dollar.

Competing in the '90s will take more than the right location, good food and good prices. It will also take good service delivered by a staff of friendly people who care. That's what hospitality is all about.

We have to see that the focus of management changes from profit to people. The "We're Glad You're Here!" campaign will help you accomplish these two goals: (1) It will help you sensitize your staff to the need for friendly service, and (2) It will provide the materials and ideas to promote your improved service.

Each member company will receive a brochure and an order form for "We're Glad You're Here!" before the end of July.

New electric code means savings

Past association president Jim Peterson was at this year's Show to announce the successful completion of a three-year project to revise the National Electric Code. The new code reduces the amount of excess capacity for power that all owners are required to provide. We expect this change to save restaurant owners and chains between $3,000 and $30,000 in construction costs on most new units built. This is something every owner ought to look into before building a new facility.

Grassroots effort scores victory in ADA fight

The Americans with Disabilities Act (ADA) is close to becoming a law. But chances are improving that the final bill will include an amendment allowing restaurant managers to place employees with communicable diseases, including AIDS, in nonfoodhandling positions. The amendment, included in the House version of the legislation, received an endorsement from the Senate, thanks to active lobbying by industry representatives, state restaurant association executives and restaurateurs from around the country, who flew into Washington to ask their senators to support the amendment.

Even though the association has exerted great effort

to assure the public that AIDS is not a foodborne disease, there are still many people who would refuse to patronize establishments if it became known that a chef or waiter had AIDS. By instructing conferees hammering out the final version of ADA to include the amendment in the bill, many members of Congress have demonstrated their recognition of the role public perception plays in a restaurant's success or failure—especially in the area of food safety.

Awards given for efforts in employing the disabled

As an example of our industry's commitment to helping disabled persons, the association gave out awards at the Show to three companies and two individuals active in the area of employing disabled.

Friendly Ice Cream Corporation; Marriott Corporation; McDonald's Corporation; Ron Trull, director of supported employment for the Texas Rehabilitation Commission; and Ninia Downs, state placement coordinator for the Ohio Rehabilitation Services Commission, were cited for recognizing that people with disabilities are a highly valuable, though often overlooked, resource.

New report on labor

The association's research department has published its latest Current Issues Report, *Foodservice Employers and the Labor Market*. The foodservice work force, like the country's labor force, is undergoing significant demographic changes that employers need to understand if they are to adapt to their employees' needs. The report contains a profile of today's foodservice employee and results of a new Gallup survey assessing how restaurant managers respond to tight labor markets.

The report will be mailed to key members; additional copies can be ordered from the association's publications department by calling 1-800-424-5156 or (212) 331-5900.

Please return wage survey

Also in the mail to key members is a questionnaire regarding wages for hourly employees. Please complete the questionnaire at your earliest convenience; we will use the information to compile an hourly wage report—to be published later this year.

New members join association

We welcome the 223 new members who joined our association in May and June. Your participation in the association's programs will strengthen both your own businesses and the industry as a whole.

Sincerely,

Michael E. Hurst

Michael E. Hurst
President and Chairman of the Board

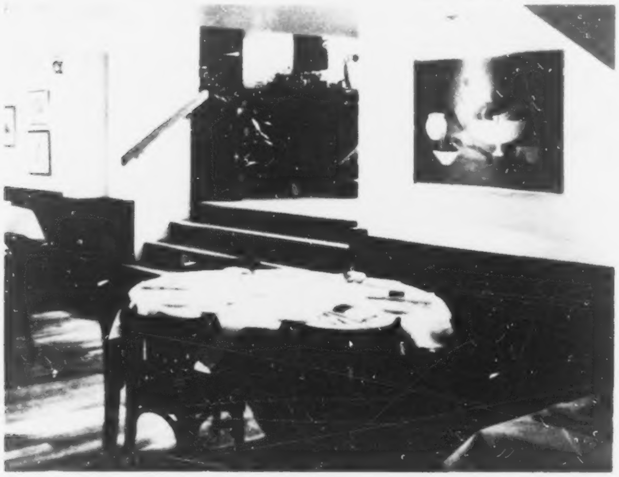
RESTAURANTS USA

COVER STORY: 1990 SHOW REPORT

12 With changes in technology, products and services, the Show floor becomes an increasingly important focus for operators who want to remain competitive. Don't miss this report of Show-floor highlights, including some of this year's special events.

SPECIALS

10 Employing minors legally
The recent Department of Labor crackdown on the illegal employment of minors has made many foodservice operators wary of hiring young workers. An internal audit specialist outlines how his company's successful program for hiring and working with minor employees allows it to take advantage of this valuable labor resource while staying well within the boundaries of the law.



Union Square Cafe

24 Adding smoked foods to menus
The piquant flavor and versatility of smoked foods have made them standouts on menus. Find out how and why restaurateurs are turning to smoked foods, but don't miss the sidebar about food-safety and environmental concerns.

26 Keeping interest alive with special event dinners
Theme dinners, such as regional ethnic meals and beverages, require a great deal of planning and preparation, but the payoffs include enthusiastic customers who come back again and again.

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A foodservice consultant explains how hiring a qualified consultant can be a wise business decision.

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With customers more willing to buy top-shelf liquors, knowledge of what makes up a good single-malt scotch collection can be a handy sales tool for restaurateurs.

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- ☐ A striking combination
- ☐ It oughta be a law

Show photos by Oscar & Associates, Tony Romano and Steinkamp & Ballogg Photography, Chicago. Spot art by Liz Dalgetty. Cover photo by Mark Ballogg and James Steinkamp.

Casual, interactive dining concept opens in Seattle

ARCADE
PRODUCE

A luncheon stroll. **When the first Zoopa restaurant, a new concept by Restaurants Unlimited, opened in the Seattle area this spring, lunch counts were double the projections. Zoopa's arcade is reminiscent of a farmer's market, with hand-painted signs and bright kiosks. Customers are encouraged to sample and select their portion sizes. The menu includes Italian, Thai, Chinese and African specialties.**

Revised electric code brings down construction costs

At a press conference held during the National Restaurant Association Show, association past president Jim Peterson announced the successful completion of a three-year project to revise the National Electric Code, which reduces the amount of excess electrical capacity restaurant owners build and pay for. Estimated savings are projected to run from $3,000 to $30,000 on most new units built.

The National Restaurant Association worked closely with the Electric Power Research Institute (EPRI) and the Edison Electric Institute (EEI) to lobby for the code revision. The new section is part of the 1990 National Electric Code, which was officially passed by the National Fire Protection Association in May 1989. In the year since passage, the National Restaurant Association, with help from EPRI, has done an in-depth study to estimate actual construction cost savings from applying the new code.

Call for "ethical" case histories

Northern Arizona University's Isbell Center for Hospitality Ethics would like to hear from you about your experiences involving ethical issues in the hospitality industry.

The center hopes to develop a series of "teaching cases" that demonstrate creativity, moral leadership, integrity and/or courage in the decisionmaking process.

Send your case histories to: Dr. William E. Miller, Director, Isbell Center for Hospitality Ethics, School of Hotel and Restaurant Management, Northern Arizona University, P.O. Box 5638, Flagstaff, AZ 86011-5638.

"We're Glad You're Here!" campaign is back

The National Restaurant Association is bringing back the popular "We're Glad You're Here!" promotional campaign, a consumer-oriented program designed to build business by reaffirming the spirit of hospitality in restaurants.

"If the entire restaurant industry gets behind this promotion, it will lead not only to more sales for participating restaurants, but also to increased goodwill for the industry as a whole," says National Restaurant Association President Michael E. Hurst. "One of the association's main missions is to promote eating out, and this is a proven way of doing it."

Restaurant operators can participate in the program by displaying some of the many "We're Glad You're Here!" materials the association is making available, including server buttons, table tents, coasters, napkins and placemats. Hurst is quick to point out, however, that the campaign goes deeper than merely displaying the logo.

"For the appreciation to really come through, the operator has to work with the staff on the fundamentals of hospitality. The staff has to believe in the program and in the message beind the program," says Hurst.

The current "We're Glad You're Here!" program is based on the highly successful promotional campaign in the early 1970s that helped fuel major gains in restaurant attendance in that decade.

"We're Glad You're Here!" materials, updated for the '90s, will be available for purchase this month.

High school opens kitchen to train 350 students

Starting early. **Hyatt Hotels Corporation President Darryl Hartley-Leonard (center) samples hors d'oeuvres prepared by students at Roberto Clemente High School in Chicago. The students, with the help of Hyatt Regency Chicago Executive Chef Robert Lang (second from left), were celebrating the opening of a new foodservice kitchen at the high school. The $500,000 kitchen is designed to provide 350 high school students with marketable job experience. It is a joint venture between Youth Guidance, Hyatt Hotels Corporation and the Board of Education.**

Pennsylvania restaurateurs brunch for books

More than munchies. **The Pennsylvania Restaurant Association's Philadelphia-Delaware Valley Chapter held a champagne and caviar brunch in honor of Chef Louis Szathmary. All $3,000 in proceeds were donated to the "Louis Szathmary Book Fund" at Johnson & Wales College.**

Pictured from left: Joel Assouline of Assouline & Ting, Inc., who hosted the brunch; Philadelphia Chapter President Nicholas Zoto of Zoto's Diner/Restaurant; Chef Louis; and David Mink of Sansom Street Oyster House.

Marriott workers take their kids along

The time has come for Marriott workers to bring their children to work. Marriott Corporation announced that it will open an on-site child-care center this fall at its international headquarters in Bethesda, Maryland.

Thirty-nine slots have been allocated for children up to age two; 24 slots for toddlers between two and three.

The tuition and fees will be paid through payroll deductions and will range from $100 to $160 per week, depending on the child's age. Tuition assistance is available for qualified employees.

Hot lunches and snacks are included in the weekly fee for toddlers. Dinner is available if requested in advance.

The center will be developed and operated for Marriott by Corporate Child Care, Inc. (CCC), a Nashville-based firm that specializes in employer-based child-care services.

New cooking show looks for stars

"Great American Recipes," a new daily cooking show being produced by Reid/Land Productions for the Nashville Network Cable System (TNN), is looking for chefs and food experts with personality. The show, planned for January 1991, will feature guest chefs/food experts and segments on food products and services. The pilot will be taped in September, and the first 65 shows (13 weeks' worth) will be taped in November and December. Guest chefs/food experts will tape five shows each, to be aired as a week-long series. The taping of those five shows will be done in one day, and the producers will pay travel expenses and a performance fee. They also promise to promote the chef's restaurant/book/video during the segments.

For further information, contact Melissa Cross, Reid/Land Productions, 2806 Opryland Drive, Nashville, TN 37214; (615) 885-1587.

Helping the hungry

Dear Editor:

In reading the April edition of ***Restaurants USA,*** I noticed the captioned picture under "Short Orders" concerning the fight for hunger. I thought you might be interested in what I am doing to help fight hunger.

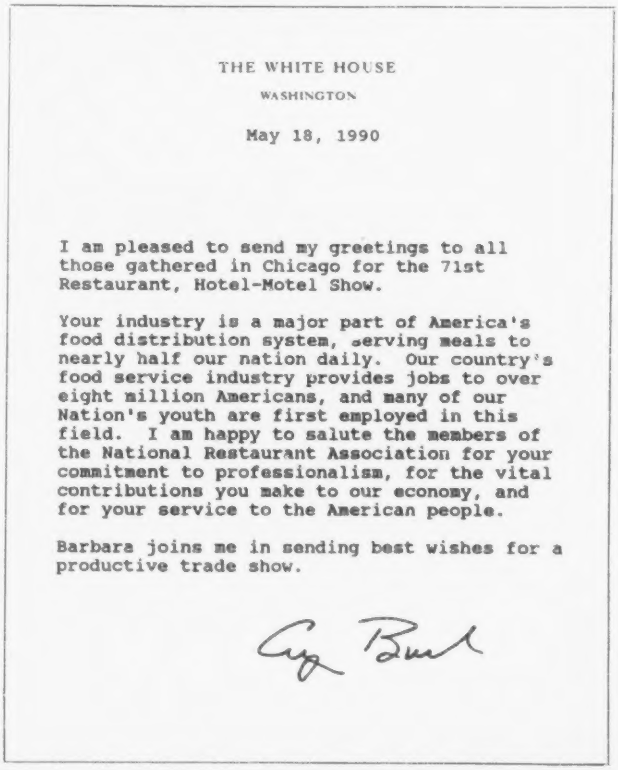
Since I opened about 16 months ago, I've tried to prepare simple, fresh yet hearty meals for the homeless here in Stamford and in Fairfield, Connecticut (yes, even "affluent" Connecticut has more than its share of hunger)—not leftovers, but freshly prepared meals. Instead of joining groups, I felt getting food right to those who need it, at least for me, was the best way to return something to the community that has supported me.

Currently, I'm continuing the program through the Archdiocese of Bridgeport (even though I'm a "nice Jewish boy from the Bronx"). The Archdiocese handles the feeding program here in Stamford for an organization called Operation Hope.

By the way, we're not big—only 45 seats. But we are busy; our 1990 volume should be over $700,000. We're currently looking for our next location, and I will continue the homeless program no matter how big I grow.

—Harold J. Falber
Harry's TX Barbecue
& AZ Grill
Stamford, CT

A Presidential greeting



THE WHITE HOUSE
WASHINGTON

May 18, 1990

I am pleased to send my greetings to all those gathered in Chicago for the 71st Restaurant, Hotel-Motel Show.

Your industry is a major part of America's food distribution system, serving meals to nearly half our nation daily. Our country's food service industry provides jobs to over eight million Americans, and many of our Nation's youth are first employed in this field. I am happy to salute the members of the National Restaurant Association for your commitment to professionalism, for the vital contributions you make to our economy, and for your service to the American people.

Barbara joins me in sending best wishes for a productive trade show.

Doing his part to save the planet

With ecology ever more in the public eye, ***Restaurants USA*** *introduces this column to share ideas and information on the environment. This month's "Eye on the Environment" focuses on restaurateur and environmentalist Peter Morton, who was a presenter at this year's Show. Look for upcoming columns to feature other industry environmental programs, policies and innovations.*

When it comes to the environment, there is no restaurateur more committed to doing his share than Peter Morton. The owner and president of the successful Hard Rock Cafe chain with 10 units throughout the world is at the forefront of the environmental movement and brought his message to this year's Show during his "Save the Planet" presentation.

Several hundred restaurateurs gathered to hear Morton describe his company's environmental programs and policies, which began about five years ago. He outlined the extensive recycling program the company has implemented, which is the cornerstone of the Hard Rock Cafe's environmental efforts. Each unit is required to recycle all of its glass, cardboard, plastic and tin. The company recycles 2½ million tons of glass and 500 tons of cardboard every year. The proceeds from recycling are donated to environmental groups chosen by the staff, including the World Wildlife Fund and the Rainforest Action Network.

Among the many environmental measures Hard Rock has instituted is a review of its energy consumption. Morton explained how small decisions, such as using compact fluorescent lightbulbs or making sure the refrigerator is not too cold, have brought huge energy savings to each unit. Morton urged members of the audience to schedule a free energy audit of their restaurants by their local utilities, so they can locate areas that are wasting energy—hurting both the environment and their bottom line.

Because he opposes the use of chemical pesticides, which he believes contaminate foods, Morton is also committed to serving as many organic foods in his restaurants as he can. Hard Rock buys much of its produce from farmers who use alternative methods of pest control, including crop rotation and beneficial insects.

Although locating suppliers who do not use chemical pesticides can be difficult and expensive, Morton pointed out the marketing advantages. "Let your customers know that the lettuce in their Caesar's salad is grown without pesticides, and they will be pleased. They will support organic foods." As more people begin to demand organic food, he claimed, the supply will increase and the prices will become competitive. But until they do, Hard Rock will tolerate the higher food costs to bring its customers organic products.

Hard Rock also shops for nonfood supplies that meet its environmental standards. For example, each unit stocks only unbleached coffee filters. "The dioxin used to bleach coffee filters pollutes rivers," Morton told the audience. The company uses cleaning solutions without caustic materials, purchased from a company that manufactures only environmentally safe products. Morton maintains that suppliers will change to meet industry demands. He related a story of a souvenir supplier that changed its styrofoam packing material to shredded newspapers in order to meet Hard Rock's standards.

Special department handles details

Hard Rock has created a "Save the Planet" department that is responsible for coordinating the company's environmental policies. The department, which takes its name from the Hard Rock's corporate motto, collects information from environmental groups and conducts its own research. It also spends a great deal of time offering assistance and encouragement to other restaurateurs who want to "review their policies in the face of environmental issues." Morton urged restaurant owners and managers to call the Save the Planet department in the Los Angeles corporate office if they need help implementing environmental programs, such as recycling, or to receive a list of contacts in each state for finding organic food items.

Getting employees involved

Morton explained how educating employees has been crucial to the success of his company's environmental programs. Since front-line workers must implement company policies, Morton knows employees must be committed to the organization's causes. To help make them feel that they are a part of the movement, Morton writes personal letters to be included with employee paychecks. Employees also receive a quarterly newsletter that describes the company's environmental programs and their progress.

The company's efforts have paid off. "A survey of our employees shows that they think our 'Save the Planet' program is the best thing to happen to our company," Morton said.

Morton urged his audience to join him in his fight to save the planet. "We aren't doing anything that you can't do. Every owner and manager in this room can and should do his part. I challenge you to get involved."

—*Elizabeth Wallace*

ADA moves closer to enactment

A civil-rights bill that offers expansive new legal protection for Americans with disabilities is close to becoming law.

Passed by the House on May 22 and by the Senate last September, the Americans with Disabilities Act (ADA) was approved by a joint House-Senate conference committee June 25.

The conference committee's report must be approved by both chambers of Congress before it can be sent to the White House for President Bush's signature. The President has indicated that he will sign the bill.

ADA's provisions may take effect as soon as 18 months after enactment. Employers will be required to make "reasonable accommodations" to the needs of disabled workers, and public places will have to take all "readily achievable" steps to make themselves accessible to disabled patrons.

To the foodservice industry's dismay, the House-Senate conference committee failed to include a National Restaurant Association-supported amendment contained in the House bill in its final report.

The "Chapman amendment," named after Rep. Jim Chapman (D-TX), would have allowed foodservice operators to reassign workers with communicable or infectious diseases into nonfoodhandling positions, at no loss of pay.

Although the language was not part of the Senate bill, senators voted 53-40 last month to instruct their conferees to accept the amendment. However, Senate conferees ignored the instructions.

The National Restaurant Association is lobbying Congress to send ADA back to the conference committee so the Chapman amendment can be included.

Representatives at the Show

Lower Food Cost with
MON.

Tennessee Reps. Bart Gordon (D) and Don Sundquist (R), second and third from left, were two of the 20 members of Congress treated to a two-day visit to the National Restaurant Association's annual trade Show in Chicago this May.

During the annual Congressional Visit Program, which is designed to give lawmakers a better understanding of the foodservice industry, members of Congress went on a grand tour of the Show floor and discussed legislative issues with association directors.

DC ROUNDUP

☐ *President Bush expected to veto family and medical-leave bill.* After five years of debate, Congress sent a bill to President Bush last month that would require employers to allow workers to take up to 12 weeks of unpaid, job-protected leave to care for a newborn or for a parent, child or spouse with a serious health condition.

The legislation, passed by the House in early May and the Senate in mid-June, is likely to be vetoed by the President, who remains opposed to all federally mandated benefits.

Anticipating a veto, the National Restaurant Association is asking lawmakers to support the President's position when the legislation returns to Congress for an override vote.

☐ *List of cosponsors for FICA tax repeal grows.* Ten senators and 111 representatives are now backing a National Restaurant Association-supported bill to repeal the 1988 law requiring employers to pay Social Security taxes on all tips their employees report.

Realizing that Congress's tax panelists are reluctant to consider any revenue-losing measure, the association is trying to create more momentum for the repeal effort by lining up as many cosponsors as possible.

The Senate Small Business Committee held its first hearing on the FICA-tax-on-tips issue on June 28, during which the National Restaurant Association testified.

☐ *Alcohol-sellers' tax due this month.* The federal Bureau of Alcohol, Tobacco and Firearms (BATF) recently warned all retailers selling alcohol that they must pay a $250 annual "special occupational tax" by July 1. BATF, which is enforcing the law zealously, says employers are liable even if they were never notified about the tax. The agency has been sending reminders to retailers since May but acknowledges that its lists are incomplete. If you have not received your bill, contact BATF at (202) 566-7568.

—*Denise Roach*

EMPLOYING MINORS LEGALLY

A look at how one company successfully ensures compliance with legal requirements for employing minors.

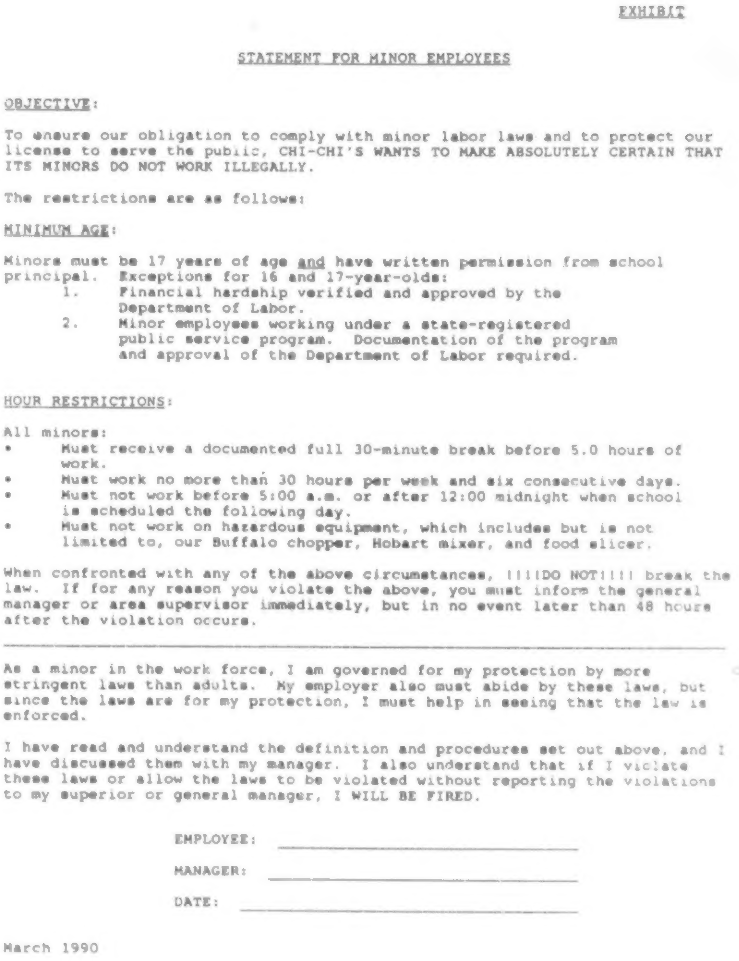
by Michael Magnus

Secretary of Labor Elizabeth Dole has been aggressively enforcing child-labor laws and seeking out violators by adding federal labor inspections to regularly scheduled inspections performed by state labor departments. These inspections seem to be focused on, but are certainly not limited to, employers of 14 and 15-year-olds. One recent sweep of 2,000 establishments could result in fines in excess of $5 million. Dole has indicated that more federal inspections are planned for the near future.

In addition to these added federal inspections, some states have created or are adding restrictions regarding the employment of minors. With all this increased attention, it may be time to review procedures for hiring minor employees.

Despite numerous problems associated with hiring minor employees, it bears mentioning that they are a valuable resource for filling vacant positions. In fact, at our company, Chi-Chi's, most of the minor employees hired turn out to be excellent workers. Because most minor employees want to work—rather than have to work—they tend to do a good job. And we have found that they tend to stay longer than other employees and gradually get promoted, even to management positions.

Michael Magnus is manager of the internal audit department of Chi-Chi's Restaurants in Louisville, Kentucky. He was elected to the steering committee of the National Restaurant Association's internal audit group in April 1988. He served as chairman of the April 1990 meeting.



EXHIBIT

STATEMENT FOR MINOR EMPLOYEES

OBJECTIVE:

To ensure our obligation to comply with minor labor laws and to protect our license to serve the public, CHI-CHI'S WANTS TO MAKE ABSOLUTELY CERTAIN THAT ITS MINORS DO NOT WORK ILLEGALLY.

The restrictions are as follows:

MINIMUM AGE:

Minors must be 17 years of age and have written permission from school principal. Exceptions for 16 and 17-year-olds:

1. Financial hardship verified and approved by the Department of Labor.
2. Minor employees working under a state-registered public service program. Documentation of the program and approval of the Department of Labor required.

HOUR RESTRICTIONS:

All minors:

- Must receive a documented full 30-minute break before 5.0 hours of work.
- Must work no more than 30 hours per week and six consecutive days.
- Must not work before 5:00 a.m. or after 12:00 midnight when school is scheduled the following day.
- Must not work on hazardous equipment, which includes but is not limited to, our Buffalo chopper, Hobart mixer, and food slicer.

When confronted with any of the above circumstances, !!!!DO NOT!!!! break the law. If for any reason you violate the above, you must inform the general manager or area supervisor immediately, but in no event later than 48 hours after the violation occurs.

As a minor in the work force, I am governed for my protection by more stringent laws than adults. My employer also must abide by these laws, but since the laws are for my protection, I must help in seeing that the law is enforced.

I have read and understand the definition and procedures set out above, and I have discussed them with my manager. I also understand that if I violate these laws or allow the laws to be violated without reporting the violations to my superior or general manager, I WILL BE FIRED.

EMPLOYEE: ______________________

MANAGER: ______________________

DATE: ______________________

March 1990

Two major areas of compliance

There are two main categories that employers must be aware of when employing minors. The first one concerns documentation; the second is the number of hours and times minors are permitted to work.

States differ with respect to their documentation requirements. Typical documents required include one or more of the following:

- ☐ Work permit
- ☐ Promise of employment
- ☐ Wage agreement
- ☐ School-hour documentation
- ☐ Parental permission
- ☐ Proof-of-age certificate.

Often one or more of these documents must be completed and on file before the minor *begins* to work.

In addition, some states allow minors to work past the normal hour requirements if they have a signed "Deviation of Hours" form. This form is usually signed by a parent and in some states the local or state labor board. Chi-Chi's decided against using this form. It has taken the position that employing minors past reasonable times might interfere with their school work. Also, it becomes difficult to remember which employees have the Deviation-of-Hours form and which do not, making it hard to track each employee's available hours.

Hour restrictions vary from state to state and sometimes by age. Examples of the hour restrictions placed on minors include:

- ☐ Number of hours permitted to work daily
- ☐ Number of hours permitted to work weekly
- ☐ Restrictions on beginning and ending times
- ☐ Number of consecutive days worked
- ☐ Break times: Some states require that employees be given a break before they work a number of consecutive hours (usually before 5.0 hours). This break must be taken for the full time allotted (usually one-half hour).

Our company's approach

Chi-Chi's began a compliance program a little more than two years ago. Because Chi-Chi's is a national chain, at first it tried to institute a universal set of guidelines that would meet or exceed all state and federal requirements. Initially, this procedure was a great awareness-building tool for our restaurant managers. But with the shrinking labor market and growing competition for employees, it became a noncompetitive policy when our corporate guidelines were more strict than those of a particular state. As a result, we started losing some employees to restaurants that were less restrictive.

Two successful forms

Rather than use one set of guidelines, we then left it up to our area supervisors and restaurant managers to abide by their particular state and federal restrictions. We made sure they were aware of their state's restrictions by creating a "Memorandum to All Store Managers." This form states what the legal requirements are for each specific state and presents detailed procedures for scheduling and managing minor employees. Chi-Chi's requires each manager and supervisor to read and sign this form, and then the company places the form in the manager's file. The form makes each manager aware of the restrictions for each state regarding minor employees and holds managers responsible for compliance.

In addition, our company created another form called the "Statement for Minor Employees" (see Exhibit). Each new minor employee must read and sign this form *before* he or she begins work. This form explains our policies and applicable restrictions for the state where they are employed. The form also makes it very clear to minor employees that compliance is as much their responsibility as ours. We state that the employee may face possible disciplinary action for not complying with the restrictions noted on the form. After the employee signs the form, it must be approved by the manager who places the form in the employee's file.

We have found that by making employees responsible for complying with the restrictions, they can help us control their time worked. One state labor inspector (who previously cited us for minor-employee violations) liked our minor-employee statement form so much he asked if the form could be used as an example to other restaurants in the area.

Chi-Chi's also keeps a watchful eye on minors after they are hired. As part of our regular internal audit programs, we include a thorough review of minor-employee files and time cards. Our area supervisors are also required to perform an audit of each of their restaurants approximately once a quarter. This audit also includes a section on minor employees and includes a review of employee files and time cards. In addition, a member of management is required to audit minor time cards each week and report any violations to the area supervisor.

In sum

We found that controlling minor employees begins by educating management and employees about the restrictions. Next comes assigning responsibility to field managers and the employees themselves. Last, but not least, is constant monitoring to ensure that restaurants are continually in compliance with federal and state restrictions. ❑

Internal Audit Study Group

This information was first presented at the April 1990 meeting of the National Restaurant Association's Internal Audit Group, where it generated a great deal of interest. The Internal Audit Group consists of National Restaurant Association members who are employed in the internal audit department of a restaurant chain. This study group meets twice a year. The next meeting will take place September 11–14, 1990, in Seattle, Washington.

The topics and presenters are chosen by those attending and differ each meeting. In addition to the session topics, open discussions are also scheduled that encourage all attendees to discuss specific questions or concerns. Over the years there has been a significant amount of information from these meetings that has been assembled into a library that is kept at the National Restaurant Association headquarters in Washington DC.

1990 SHOW

WELCOMING THE '90s WITH A NEW FLOOR—AND SPIRIT

Inside this report:
★ **Salute to Rusitzky, page 13**
★ **Behind the scenes at the culinary team tryouts, page 14**
★ **Show floor wrapup**
  ☐ **Taking on the tough social issues, page 16**
  ☐ **Cultivated seafood comes of age, page 16**
  ☐ **Catering goes casual, page 17**
  ☐ **New image for commodities, page 19**
★ **An action-packed report from the Ice Carving Classic, page 20**
★ **Highlights from the Culinary Arts Salon, page 22**
★ **Profile of longtime exhibitor, page 23**

At the first Show of the new decade restaurateurs from all over the country gathered in Chicago to find new ideas to bring back to their businesses. And once again the Show didn't disappoint the 108,000 attendees. The opening of a new Show floor brought the total exhibit-floor space to 600,000 square feet and more than 2,000 exhibitors, with suppliers represented for every aspect of the foodservice business.

Grand opening of new floor

More than 38,000 attendees visited the new floor in McCormick Place North. Exhibitors on the new floor—most of whom were at the Show for the first time—were thrilled with the turnout. The Everfresh Juice Company, for example, estimated that it gave away more than 10,000 samples of its sparkling juice, and had to send to its headquarters for more.

The 26 exhibitors in the Illinois Pavilion, which clustered suppliers from around the Chicago area into one central aisle, were gratified to find such a large number of potential customers at the Show. For attendees, the advantage was being able to talk face-to-face with the representatives with whom they would deal in the future.

The new floor also featured a Seafood Center with more than 20 purveyors and the Wine and Spirit Way, a collection of 34 wine suppliers from around the country and the world.

The new floor had a natural drawing card in the popular ice carving competition located at the back of the exhibits. ☐

Columnist Jack Anderson urged restaurateurs to take part in the political process and to watch for government misuse of power. "The President is our employee, not our master," he said.

The new association officers enjoyed a moment together at the Grand Banquet. From left: president, Michael Hurst of 15th Street Fisheries, Ft. Lauderdale, Florida; vice president, John Farquharson of ARA Services, Inc., Philadelphia; treasurer, Richard Marriott of the Marriott Corporation, Washington DC.

Screenwriter Nora Ephron drew crowds to her humorous and insightful Theater Series presentation, in which she discussed her work and her life in the context of society's expectations.

Dinah Shore brought her Southern charm and smooth singing to the Grand Banquet.

Rusitzky: A Year of Focus on the Environment

When outgoing National Restaurant Association President Harris "Bud" Rusitzky gave his farewell speech at the Show, it was the culmination of a year of focusing on the environment. From the very beginning to the end of his term, Rusitzky has worked to make foodservice operators aware of the problem of solid waste and to educate them about what they could do about it.

Rusitzky could be justly proud of what the association has accomplished under his leadership. As he told his audience in Chicago on the opening day of the Show, "Foodservice operators across the country have become involved. They are correcting misperceptions regarding the amount and nature of the waste we generate. They are implementing waste-management programs in their own operations, and they are taking the initiative in developing well-balanced solid-waste plans for their communities."

When Rusitzky became association president last year, one of his first official acts was to hold a press conference at the Show to name solid waste as the key area of concern for his coming term. During his tenure, Rusitzky stayed true to his conviction—calling often on the restaurant industry to become part of the solution, not the problem. He urged foodservice operators to cooperate with state restaurant associations, local agencies and governments to come up with answers to waste-disposal problems. Under his sponsorship the association produced new publications on the subject, and its regular publications carried countless stories about solid waste. The association also held a one-day symposium in Washington DC, in which it gathered together speakers knowledgeable on all aspects of solid waste—to help operators learn more about the problem and what they could do about it.

Throughout his term as National Restaurant Association President, Rusitzky urged restaurateurs to become active in the fight to keep the environment safe and clean.

But, Rusitzky emphasized that the activity of the past year is only the beginning. He predicted customers will demand that foodservice be active in the ecology area. He said customers will want foodservice to avoid supplies that contain damaging substances and foods that require processing that results in damaging substances as a by-product. "Our customers will ask, and then insist, that we make a positive contribution to the ecology of the planet," he said.

For now, he declared, operators need to become knowledgeable about environmental problems, "so when the time comes, we can make intelligent decisions and explain them to our customers. We also need to talk to our suppliers about the kinds of products we will want in the future. Those recycled or unbleached or otherwise benign products may not be available right now in the quantity we need, but they could be if our suppliers are informed that the market is there," he said. "Involvement in environmental issues is another challenge that I am certain our industry will take in stride."

Rusitzky's interest and involvement in environmental issues is not ending with his presidency. He has already begun working with other foodservice organizations to make their members aware of the issues and to help them look for solutions.

CULINARY TEAM USA

National and Regional Teams Picked at Show

At the back of McCormick Place North, Show attendees gathered at the display-kitchen windows to watch culinary-team hopefuls transform their "mystery box" ingredients into innovative dishes.

When the U.S. culinary team goes to Frankfurt in 1992, it will have a lot to live up to. The Americans brought home three gold medals in 1988 and have won the hot food competition three times in a row. "People will expect a lot from the North American competitors," says Hans Bueschkens, vice president of culinary relations at The L.J. Minor Corporation, Windsor, Ontario, and two-term president of the World Association of Cooks Society. "It will be the same as a boat going up a river—as soon as you relax, you go downstream."

But the U.S. team has no intention of relaxing. It plans to demonstrate a broader range of American cooking than ever before, and has reorganized to do so. Whereas in the past the United States sent one national team and one regional team to the IKA/HOGA competition, in 1992 a five-person national team will be supplemented by four five-person regional teams that will present dishes with taste and ingredients influenced by their specific parts of the country.

Team manager Keith Keogh, a member of the 1988 team and executive chef of Walt Disney World's Epcot Center, says the United States is able to send an extended team because "now we have the talent and now is the time to make the change. America has a tremendous wealth of regional cuisine and products indigenous to these regions. We hope to tap all of these resources through our new regional concept."

There has been another change, too. For the first time, teams from all countries will be judged by the same set of rules. Before the World Association of Cooks Society approved the new guidelines in 1989, there were not only different rules but also a different point system for judging in every country. For example, the United States judged on a scale of 0 to 40; the Japanese used a 100-point system. "It drove us all mad," said Baron Galand, a culinary judge who helped set up the new guidelines.

1992 team chosen at Show

The selection process for the 1992 Team USA and the four regional teams culminated in Chicago at the Show. (Preliminary tryouts were held last spring in four parts of the country—Omaha, Nebraska; Charlotte, North Carolina; Boston, Massachusetts, and Los Angeles, California. In Chicago, the top seven hot food and top two pastry chefs from each region competed for the honor of being on the national team or one of the regional teams.

Seven glass-enclosed kitchens were set up on the main level of McCormick Place North. Each day finalists from a different region competed. Their day began early, about the time the sun

1992 Culinary Team USA winners

The national 1992 Culinary Team USA, from left: Alex Darvishi, Franz Popperl, Keith Coughenour, Michael Russell and team manager Keith Keogh.

National Team

☐ Keith Coughenour, CC, representing the Southeast Region, The Greenbrier, White Sulphur Springs, WV

☐ Alex Darvishi, CEC, representing the Northeast Region, Columbus Athletic Club, Columbus, OH

☐ Franz Popperl, representing the Western Region, Popperl, Keppeier & Associates, Portland, OR

☐ Michael Russell, CMC, representing the Central Region, Skyline Club, Southfield, MI

A pastry chef will be named to the national team at the American Culinary Federation's national convention in New Orleans in July.

Regional Teams

Northeast Regional Team

☐ Charles Carroll, CWC, Balsams Grand Resort Hotel, Dixville Notch, NH

☐ Alfonso Contrisciani, CEC, Showboat Hotel & Casino, Atlantic City, NJ was rising over Lake Michigan, with a drawing of ballots for kitchens, apprentices and starting times. Then the mystery boxes were delivered. The boxes, the same for all competitors on a given day but different from day to day, contained a selection of meats, seafood, game, fowl, fruit, vegetables and starches.

The chefs were allowed 30 minutes to work out a menu using the contents of the black boxes and basic foodstuffs available from a common grocery. No substitutions were allowed. Any item or portions not needed had to be returned when the menu was submitted to the judges at the end of the 30 minutes.

In the next five hours the chefs worked with their apprentices to prepare a meal consisting of a minimum of four courses, maximum of five, not to include dessert.

Keith Coughenour, a chef at the Greenbrier Hotel in White Sulphur Springs, West Virginia, opened his mystery box to find scallops, five chickens, a leg of lamb with bone in, two catfish, one salmon and various vegetables and spices. He set to work right away using half of the salmon and catfish to make a seafood roulade similar to one he had made for the seafood competition in Mobile a few months earlier. He used the chicken, except for the breast, to make a stock for his first course, an essence of red bell pepper. He deboned the leg of lamb, roasted it and served it with a mushroom terrine and vegetables. His fourth course was a spring green salad with oven-roasted tomatoes and sauteed nut-breaded cheese. It was good enough to win him first place for the Southeastern Region and a place on the national team.

More than 25,000 runners competed in the ever-popular Main Course 10-K race. Here, runners blaze past the Lake Michigan waterfront. Gonzalo Hernandez of Chicago had the fastest time for men, 31:52; Joy Meyer-Smith of Sugar Land, Texas, was the first woman finisher, with a time of 34:37.

Chefs put skills on the line

The meals were judged for innovation, originality, taste/texture, composition, presentation, utilization of ingredients and timing. "We didn't have any dishes that sparkled," said judge Roland Henin, "but it's very hard to produce that when under pressure. Creativity comes when the chef is comfortable and has some time."

Culinary skills were not the only thing put to the test. Judges also looked at how the chefs organized their supplies, how they used the apprentices and how they handled perishables. They watched the chefs debone the meat and fish and paid attention to cleanliness and sanitation.

The panel of judges included various members of past U.S. Culinary Teams. Most of them are master chefs, an elite group of less than 50 in the United States. Judges included team manager Keogh; Dan Hugelier, CMC, AAC, a member of the 1980, 1984 and 1988 teams; Hartmut Handke, CMC, AAC, a member of the 1984 and 1988 teams; Christopher Northmore, CEPC, pastry chef for the 1988 team; and Roland Henin, CMC, CCE, the 1988 Western Region team captain. Honorary judges were Baron Galand, CEC, AAC, chairman of the board of the American Culinary Federation, and Hermann Rusch, AAC.

At the end of the day judges added the hot food scores to the cold food scores from the regionals, and the chef with the highest total became a member of the national team. The next five highest point winners were named to their respective regional teams. Others were named as alternates.

☐ Martha Crawford, PASTRY, Desserts International, Exton, PA

☐ Roland Czeke[illegible], CEC, Chatham B[illegible]s Inn, Chatham, MA

☐ James Perko, CEC, Lakewood Hospital, Lakewood, OH

Southeast Regional Team

☐ Louis Borochaner, CPC PASTRY, The Cloister Hotel, Sea Island, GA

☐ Darryl Evans, CC, Cherokee Town & Country Club, Atlanta, GA

☐ Aidan Murphy, CWC, Polo Club, Boca Raton, FL

☐ Michael Robins, CMC, The Coach & Six Restaurant, Atlanta, GA

☐ Raymond Swett, CWC, The Bankers Club of Boca Raton, Boca Raton, FL

Central Regional Team

☐ Richard Burr, CEC, St. Joseph's Country Club, St. Joseph, MO

☐ George Feneley, CEC, Ft. Wayne Country Club, Ft Wayne, IN

☐ James Hanyzeski, The Amway Grand Plaza Hotel, Grand Rapids, MI

☐ Lawrence McFadden, CC, Intercontinental Hotel, Chicago, IL

Western Regional Team

☐ Michael DeMaria, CWC, California Culinary Academy, San Francisco, CA

☐ Jeffery Mora, CC, Doubletree Hotel, Pasadena, CA

☐ Mial Parker, International-American Foods, Inc., La Mesa, CA

☐ Brad Toles, Red Lion Inn, Bakersfield, CA

Two years of hard work ahead

As the chefs prepare for 1992, they will bounce ideas off each other, and their knowledge and creativity will increase, says Keogh. The chefs, like athletes, will train. They will be coached in their skills. They will practice their culinary arts and learn to work together as a team. During that time, there could be some changes. "We'll be like a main team and a farm team," says Keogh. "Some may move up and some may move down. We'll be looking for consistent performance." By the end of the next two years they expect to be ready to go for the gold. ❑

***Funky chefs.* Chef Clothing Revival USA Inc. of Paramus, NJ, brought its "cool uniforms for hot chefs" to the Show floor.**

SHOW FLOOR

Taking on Tough Social Issues

Doing business today involves a lot more than a good product and service. It involves helping hands and a social conscience. Recent concerns about the environment, illiteracy, hiring workers with disabilities and feeding the home-bound all made their way to the Show this year, as the foodservice industry positions itself to take part in the social issues of the day.

Although there were some booths with an eye on the environment at last year's Show, concern for ecology was more visible this year.

The Scott Paper Company of Philadelphia, for example, used a man dressed as a styrofoam cup to draw attendees to its booth. Scott distributed short videotapes to educate consumers about the recyclability of plastic foam into such products as park benches and garbage cans. In addition, Scott passed out literature about its own ecological efforts.

The Keyes Fibre Company of Stamford, Connecticut, talked about composting and pointed out that its trays and cup holders were made from recycled newspapers. Wisconsin Tissue out of Menasha, Wisconsin, distributed information about its line of paper products—Second Nature—manufactured from 100 percent recycled fiber. Georgia-Pacific Corporation of Atlanta, also uses recycled fibers in making paperboard for wallboard panels and three types of recycled paper. And it is involved in managing and replanting forests.

Atlanta-based Arby's, Inc., devoted a good portion of its booth and handouts to promoting its literacy program. The beloved storybook character Babar the elephant has become the symbol for the program and is being used on all artwork. A lifesize figure drew crowds to the Arby's booth.

Meals-on-Wheels, a nonprofit organization that helps distribute nutritious meals to the elderly and disabled housebound, came to the Show for the first time. The booth represented Chicago's program, which is one of 30 city and rural community programs across the United States. The purpose of the Show visit was to find corporate sponsors to help the organization raise funds.

Another newcomer to this year's Show was the Illinois Department of Rehabilitation Services, which promotes hiring the disabled. The booth distributed informational flyers as well as bumper stickers and buttons displaying its toll-free telephone number—1-800-JOBS NOW. According to Henry McMorris, a marketing and employment specialist with the department, "The Show definitely was worth it for us. We've received about 25 job leads so far in our Springfield office, and we're expecting more to filter in within the next few months." ❑

Babar was at the Arby's booth to help promote the company's literacy program.

StarKist
DOLPHIN SAFE

This pin demonstrates Starkist's new policy to protect dolphins.

Actress and writer Geri Jewell, who was born with cerebral palsy, explained to her Theater Series audience how rewarding it is for a disabled person to be given the opportunity to fail. "You cannot succeed without failure," she noted.

SHOW FLOOR

Cultivated Seafood Comes of Age

With the seafood center occupying 10,000 square feet of space in the new lobby level of McCormick Place North, seafood was definitely very visible at the Show.

The big news, though, was the prevalence of cultivated seafood. Seafood from farms both here and abroad is gaining in popularity because it's available all year round—usually at a consistent price—and it has a milder, sweeter taste because its diet is controlled.

Farmed catfish has been in the forefront of this movement, and at least two exhibitors featured it prominently—Farm Fresh Catfish Company from Hollandale, Mississippi, and Country Skillet Catfish Company from Isola, Mississippi. The controlled diet of grains, soybeans, vitamins and minerals fed to cultivated catfish is one of the reasons the fish have a mild, sweet flavor and no fishy odor. Last year 330 million pounds of the product were sold.

Catfish may be the best-known farmed fish, but other species were also featured. Aquatic Systems of San Diego displayed Golden Sunshine Striped Bass, which took 12 years to develop. The company says that the product, used in a gold-medal-winning dish at the Culinary Olympics in 1988, has a taste and texture comparable to the finest swordfish.

For something a little different, Lousiana Premium Seafoods, Palmetto, Lousiana, featured softshell crawfish.

Foreign companies are finding cultivated seafood can be big business, too. New Zealand's booth showcased green mussels, which are grown attached to ropes suspended in the water to ensure that they are plump and grit-free. The mussels are available live, frozen, smoked or marinated.

Mussels grown by the same method, but in the water surrounding Prince Edward Island, were being shown at Canada's booth. Island Blue cultured mussels come from Prince Edward Aqua Farms Ltd., New London, Canada.

"Sweet-Water Prawn," Ltd., New York City, imports and distributes cultured freshwater prawns from the Caribbean. The prawns feed on spirulina, a strain of algae commonly available as a nutritional supplement. It is said to give the prawns a sweet taste and tender texture. The prawns also have no vein filled with the grit found in saltwater varieties.

From another part of the world come the shrimp imported from Bangladesh and India by Torry Harris Inc., Perth Amboy, New Jersey.

More farm-raised seafood from foreign lands was on display by Homarus, a firm based in Mount Kisco, New York, that sells gourmet smoked seafood. Among the company's displayed products was salmon flown in fresh from farms located in the Norwegian fjords. ❑

SHOW FLOOR

Catering Goes Casual

Famous Cajun chef Paul Prudhomme was on the Show floor, signing autographs and greeting attendees, to help promote his new "Magic Seasoning Blends."

Portrait Cake, a computerized cake-decorating system, immortalizes faces in pastry.

Vie de France's long-awaited sous-vide line was introduced at the Show. Here, a chef explains how the sous-vide system works.

The trend toward a more casual dining experience is already having repercussions in the catering field. This year's Show exhibits featured many ideas in the areas of food, equipment, presentation and decor to please today's more casual customers.

Updated sandwiches

One way that the trend toward casualization has affected the restaurant industry is the ever-expanding sandwich sections on menus (see "Foodservice Trends" this issue). Although Americans continue to clamor for sandwiches, their tastes have become more sophisticated, and restaurateurs have begun offering variations on sandwich standbys. Caterers are sure to follow suit. This year's Show floor included many products to help them build festive sandwiches for their party platters.

You can't have a sandwich without bread; and with more than 50 baked-goods companies on the floor offering loaves and rolls by the dozen, there certainly wasn't a lack of variety. Breads of every grain, including the still-popular oat bran, were available—sliced thin, thick or in between.

Along with the traditional bread offerings, there were some new filling holders. J&J Snack Foods of Pennsauken, New Jersey, introduced its Soft Pretzel Bun—what it calls "a tasty new twist on bread." The pretzel bun drew rave reviews from attendees sampling the ham-and-cheese "pretzelwich." A flyer suggested other sandwich ideas, including a pretzelburger, a pretzel dog and mustard, and a pretzeldecker.

Parco Foods in Blue Island, Illinois, brought a bread product to the floor that could make sandwich-making easy for a caterer. "Mealboats" are prebaked, single-serving bread shells. Available in three flavors—corn, bran and datenut—the shells can be filled with meats, fruits, vegetables or salads to create portable meals that are uniform in size and shape.

The Korni Kone was another new item that could appeal to caterers who create Mexican-themed or finger-food events. Distributed by Jones Cones Inc. of North Tampa, Florida, the Korni Kone is a taco shell in the shape of a Danish waffle—the large, loosely shaped ice cream holders that have become popular in recent years. With the Korni Kone, a guest can create a "walk-away taco"—all the fillings are piled inside the cone without the usual spilling from a typical taco. The cones can also be filled with salad makings or other fillings.

Caterers who design parties for children should take note of the Happy Face Loaf, distributed by FDL Marketing in Dubuque, Iowa. The luncheon meat loaf features the smiling face of a youngster on every slice. Imagine the fun children would have building a sandwich of happy faces. And to please the parents, the company has lowered the fat and salt content of its meats. It also sells two other child-pleasing luncheon meats—the Pinwheel Loaf and the Love Loaf, which features four hearts.

Barbecue is in

Americans love barbecue, and caterers are finding barbecue is perfect for casual and theme parties. There was a big choice of barbecue equipment on the Show floor: everything from basic grills for cooking hamburgers by the pool to units big enough to roast a whole pig for a hungry crowd of picnickers. Many of the units are designed to be used on patios or to be mounted on a flat-bed trailer and towed to a party location.

For the caterer who does a big business in barbecuing, one manufacturer, Big John Corp., Pleasant Gap, Pennsylvania, offered a mobile barbecue kitchen, called the barbe-cube trailer, which comes complete with grill, griddle and oven, two pot cookers, one utility stove, two 60-quart pot sets, a five-foot folding table and two 30-pound propane cylinders. The mobile kitchen can also be custom-designed to specifications.

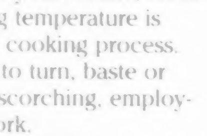
Real labor-savers are the wood-burning barbecue pits from Ole Hickory Pits of Cape Girardeau, Missouri. They are fully automatic, ensuring that the proper cooking temperature is maintained throughout the cooking process. Because it's not necessary to turn, baste or move the meat to prevent scorching, employees are free to do other work.

Flame King Inc. of Aurora, Illinois, was showing party-sized grills with its patented easy-to-clean firebox. One end of the firebox is hinged and drops down to make it easy to flush grease and ashes from the bottom of the grill, a real plus for the caterer who must quickly pack up and go.

Belson Manufacturing Co., North Aurora, Illinois, has different designs of grills and rotisseries for different kinds of food; it offers a model with rotisseries that can hold 122 chickens, and another model that will enable a caterer to turn out 500 hot dogs an hour.

Almost all the barbecues can be fitted with

Look, Ma—no seeds! **Sun World International of Coachella, CA, says it has put an end to watermelon's "seedy reputation," through its seedless product.**



c man a
Maria Orsini

The growing Hispanic presence in North America has begun to make its mark on the Show floor. For the first time, two booths connected with Spanish-language publications offered advertising space in their publications.

Promocion e Imagen S.A. de C.V., based in Mexico, publishes trade, food and tourism magazines.

Two of the company's magazines in particular could help businesses in the United States target the Mexican foodservice market—*Comanda*, the magazine of the Mexican restaurant organization, and *Maria Orsini*, the magazine for the Mexican gourmet.

The other booth represented *La Carta*, the first Spanish-language publication for restaurant and bar operators to be circulated nationwide in the United States. *La Carta* is published six times a year in Long Island City, New York.

extras, such as warming shelves and wooden workshelves.

Nature-Glo, based in Brentwood, Tennessee, was displaying not only grills and rotisseries but its quality wood fuels as well—from charcoal to exotic food-flavoring woods, such as pecan, apple and orange.

Presentation props

Although casual is in, sometimes the occasion and the meal call for something more than standard paperware. Plastics Inc., of St. Paul, Minnesota, fills the bill with its Prestige plates and bowls. The dishes are plastic, but the contemporary design and colors—clear, bone or black—give them a quality look.

Caterers could also shop the Show floor for ideas on how to keep hot foods hot and cold foods cold while carrying them to a party site. There were many booths devoted to insulated packaging. Polyfoam Packers Corp., Wheeling, Illinois, not only was showing its insulated containers that hold serving trays of food, but it was also displaying plastic pouches of liquid that can be frozen and substituted for ice cubes. The pouches, about the size of an ice cube, can be washed in the dishwasher.

Another plastics company, Cal-Mil of Carlsbad, California, showed clear covers for steamtable dishes, made from a nonbreakable and heat-resistant product called polycarbonate. Both its polycarbonate covers and its regular acrylic covers have a cutout so the server can reach in with a spoon and serve the food without taking off the cover. This is a sanitary way of serving and helps the food to stay hot longer.

Setting the scene

Because props and decorations can help set the scene, caterers flocked to exhibits with ideas to make a party special.

Admark, Inc., of Topeka, Kansas, offered a wide variety of theme packaging and decorations—from cardboard convertible cars that can serve as centerpieces to a complete birthday-party kit for a child. The kit includes meal cartons, balloons and posters to hang, nose hats and badges for the kids to wear, and sticker sheets as party favors.

Of course, caterers can create their own kits to make party decorations more personal. One idea is to feature customized balloons. Max Balloons, a division of Ansell Intl. in North Hollywood, California, was on the floor displaying its four-color balloons—a state-of-the-art printing process.

Caterers have long known the value of food as decoration, and some companies are marketing their products with an eye toward aesthetics. Robert Rothschild Berry Farm of Urbana, Ohio, featured oversized decanters. Those filled with sparkling red raspberry liqueur were eyecatchers at the Show. The company's infused oils and vinegars, available in large bottles, were also noteworthy. With the light shining through them, the bottles would make a distinctive addition to a buffet table. Some had spigots for serving.

Perhaps the most innovative decorating idea to hit the Show floor was the Scanamural, by Computer Image Systems, based in Torrance, California. The Scanamural enlarges images, such as photographs or artwork, to create a wall-sized mural. A caterer can send a photograph to a local Scanamural dealer, who will then blow it up to the requested size. Cost is $20 to $25 per square foot for the murals, which can be printed on many different types of materials, from paper for short-term use to long-wearing fabrics for reusable murals. Using the Scanamural technology, a caterer could develop an entire backdrop on transportable panels to create an atmosphere, such as the interior of a medieval castle or an Old West saloon.

Festive touches

Caterers are always looking for those touches that will make their business stand out from the competition. The Show floor offered many ideas.

One of the biggest crowd-pleasers on the Show floor was the computerized cake-decorating system from Sweet Art, based in Kansas City, Missouri. Show attendees watched in fascination as the machine's arm reproduced a person's photograph—in full color—onto the top of an iced cake. Images can be taken live or from photos as small as wallet-sized. The system also has more than 300 art drawings in its memory and includes a drawing program to create customized designs.

With the portrait cake, the possibilities for partygivers are endless. Birthday, anniversary or farewell parties as well as bar or bas mitzvahs would be enhanced by serving a cake with the honoree's picture. Caterers could use the portrait cake as a selling point in preparing their bids for such parties. ❑

Tiramisu

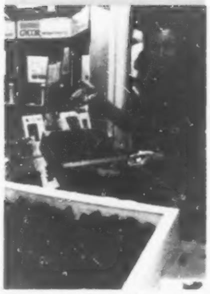
What traditional Italian dessert, with melt-in-your-mouth texture, rich taste and beautiful presentation, is enjoying surging popularity in American restaurants? The answer is tiramisu, which in loosely translated Italian means "pick-me-up." And it lives up to its name; diners will surely feel their spirits rise when they bite into this dessert, consisting of layers of chilled sweetened Mascarpone cheese, ladyfingers soaked in espresso and liqueur, and cocoa or chocolate shavings.

Tiramisu made its debut on the Show floor this year, introduced by Taste It Presents, Inc., of New York City. And samples of the confection were quickly snapped up by Show attendees.

Caterers might find the newly popular tiramisu a perfect dessert to serve after an Italian dinner. Taste It Presents sells the dessert in frozen units that yield 12 to 15 servings—simply thaw and serve chilled. Of course, the dessert can be made from scratch.

SHOW FLOOR

New Image for Commodity Groups



The California Strawberry Advisory Board used bunches of tempting fruit to lure restaurateurs to its booth.

Mickey Sadoff, president of Mothers Against Drunk Driving (MADD), and Michael Hurst, president of the National Restaurant Association, issued a joint statement calling on states to take action against the use of false identification by people under 21 to purchase alcoholic beverages.

The joint statement asked the states to enact reasonable laws and penalties regarding this crime and to issue universally recognized driver's licenses to people under 21 so that the alarmingly pervasive problem can be curtailed.

Armed with recipe cards and menu ideas, commodity groups were out in force on the Show floor.

Several exhibitors tried to break diehard foodservice habits by repositioning their products. The California Cling Peach Advisory Board and the Pacific Coast Canned Pear Service, for example, distributed recipes for using canned peaches and pears, typically used as garnishes, as more integral ingredients in salads, snacks and desserts.

The Florida Department of Citrus took a slightly different approach in trying to get foodservice operators to promote orange and grapefruit juices as "all-day" rather than breakfast beverages, by serving the juices over ice as an alternative to carbonated soft drinks. In addition, the Florida Citrus Board distributed a pamphlet, "Florida Citrus with Style," which illustrates uses of citrus products in main dishes and offered presentation pointers from citrus baskets to citrus roses.

The National Honey Board was working to promote the use of honey as a flavorful addition in food preparation, and handed out a brochure, which included recipes such as honey-barbecue sauce, honey bundt cakes and harvest cupcakes.

The meat boards were optimistic about their products. The National Pork Producers Council continued to tout pork as "the other white meat." In addition to the recipes provided for using pork as a main-dish ingredient in non-traditional pork dishes, such as pork tetrazzini and pork piccata, the booth distributed information regarding pork's nutritional value to combat the idea that it is a "high fat" meat.

The Beef Industry Council, on the other hand, was enjoying the turnaround in public perception about its product. It promoted beef's versatility both as a takeout item and as an ingredient in ethnic, especially Asian, and regional cuisines.

Even greater changes were introduced by the American Lamb Council, which discussed the initiation of "certification" of lamb cuts approved by the U.S. Department of Agriculture in November. The certified label indicates a leaner, higher-quality cut of lamb. The council started the program in conjunction with lamb breeders and producers who are using new feeding management and production practices. In addition, the American-Lamb Council recently announced the availability of pre-packaged lamb cuts for foodservice operators. Lamb sirloin, top round steaks and Denver ribs are promoted for quick grilling; lamb strips are being paired with fajitas, stir-fries and salads, and lamb cubes are touted for stews and kabobs. ☐

EDUCATIONAL SESSIONS

"Does your business have a glass ceiling?" asked Elizabeth Brennan Baker, vice president of training and development for The Ground Round, Inc., as she took part in a panel discussion at the Show, "Putting Women in Their Place . . . in the '90s." Baker was referring to barriers that prevent women from rising above a certain level.

Always a dynamic speaker, Herman Cain, president and CEO of Godfather's Pizza, shared some of his leadership ideas and his vision of the future.

Two restaurateurs who are famous for their innovative promotions gave a Theater Series presentation on the subject. Here Stan Clark of Eskimo Joe's in Stillwater, OK, explains the planning behind successful promotion schemes, while Robert Morris of Mor Food 'N Fun of Santa Monica, CA, looks on.

Editor's note: *Look for more detailed coverage of educational sessions in the months ahead.*

Sweet bits. **Attendees clustered around the M&M/ Mars (Hackettstown, NJ) booth to sample ice cream mixed with the company's crushed-up M&Ms and candy bars.**

ICE CARVING CLASSIC

Michaelangelo Meets Beat the Clock

There was an almost lifelike quality to the pieces produced at this year's Ice Carving Classic, thanks to fine detailing by the carvers. Birds looked as if they could fly, harps as if they were ready to be played, fish as if they could swim into the crowd.

"This year's competition produced so many fine sculptures that the judges had to make some tough decisions," said Ice Carving Classic Coordinator Chuck Wagner, executive director of the National Ice Carving Association (NICA, the professional organization for the ice carving industry in the United States, headquartered in Chicago). Those who saw the competition had to agree.

Seven teams competed this year, the third year of the competition. United States teams representing Florida, Pennsylvania, Washington DC and Michigan were joined by international squads from Mexico, Canada and Japan. For three consecutive days, these teams of three carvers each chainsawed, ironed, chipped, chiselled and slushed their way through the competition.

A race against the clock

With groups of three carvers starting within one-half hour of each other, the action was continuous, and the strictly enforced time limits of one, two and three hours, depending on the round of the competition, pushed this art form into a race, with some of the most frantic carving taking place in the closing minutes.

The limits on time are a source of some of the greatest excitement for spectators, as they see pieces come together, fall apart, get reassembled and stand on their own. For example, a nose from one of the two swordfish carved by Masaru Shiohara of Japan in the individual freestyle round fell off with little time remaining. In the closing seconds of the round, Shiohara attempted to carve and attach another tip for his swordfish but was unsuccessful. Thus, he had to do without. The outcome was more positive for Randy Finch from the Michigan team. On mounting the rear legs of a wolf to a fencepost made of ice, the post broke. Finch rapidly replaced the post with a second post he had made, freezing the addition, with just minutes remaining.

In addition to any assembly saved for the closing minutes, fine detail work is often left for the end to ensure that the details don't melt down prior to judging. In the last 15 to 25 minutes, the chainsaws, hand chisels, drills and other equipment are overworked as carvers rush to place the finishing touches on their pieces. This year, in the final round of individual freestyle, Michigan carver Mac Winker found that his sculpture exceeded the 8-foot height limitation. With less than 10 minutes remaining, spectators watched intently as Winker climbed up on the table, took a chainsaw and trimmed about an inch off the tip of the wing of the butterfly protruding from his sculpture. A round of applause greeted Winker as he descended, mission accomplished.

The ephemeral masterpieces looked even more impressive when juxtaposed against the tools of the carvers' trade: tablesaws and electric drills, household irons and dry ice, along with more traditional hand chisels and saws.

But even if the sculpture is assembled and within height limits, the simple act of moving the sculpture from the floor to the table where it is to be displayed can be a tense situation. This was the case with what was perhaps the tensest moment in the individual freestyle, if not the entire, competition. One Pennsylvania team member cut his block to approximately a five-inch thickness to carve a Japanese scene featuring a bonsai tree, pagoda and footbridge within a dragon periphery. Although the sculpture was beautifully detailed, by the time he had finished carving the details, much of the sculpture was, according to one carver watching the scene, "a living, breathing piece (of ice) with no handle to grab to put it on the table." Assisted by his teammates, the sculpture was lifted—supporting board and all—to the display table as the crowd watched in absolute silence. When the move was completed, an audible sigh and a round of applause burst forth from the gallery of spectators.

Disaster, in ice carving terms, did strike the team from Washington DC. The team entry in the freestyle competition collapsed as time was winding down, and it could not be reassembled.

Competition wrapup: I. Individual freestyle competition

The individual freestyle competition is one in which each of the three team members competes. Each carver receives one 400-pound block of ice measuring 10 by 20 by 55 inches and is allowed two hours to carve anything he or she likes. Each carver is allowed to use one helper (most often a teammate), who may move, but not alter, the ice. After the two-hour limit has expired, the carver has 5 minutes to remove his tools from the area before the carving is judged.

The carvings in this year's freestyle competition ranged from traditional sculptures, like the two swordfish sculpted by one member of the Japanese team, to whimsical pieces, like a music room including an ice chair, bass fiddle and music stand, carved by a member of the team representing Washington DC.

When all was said and done, Japan's Kazunori Ohoi took top honors for carving an angelic female figure playing a delicate ice flute. Teammate Kenichi Hamada placed second with a carving of a chef, complete with hat, spatula and flaming pan, which dazzled the crowds. Mac Winker's (Michigan) eight-foot high "Metamorphosis" sculpture—a tree with a butterfly perched on the top branch and a cocoon and caterpillar perched on lower branches—tied him for third place with John Lakatosh of Pennsylvania.

Competition wrapup: II. Compulsory carving

If the individual freestyle is frantic at points, the compulsory carving is manic throughout. In the compulsories, teams receive three sketches—complete with views of the front, side and overall piece to be carved in exact dimensions. This year's figures included a bass, a fencer and a vase. Each team member picks a mystery envelope, which determines which of the three pieces he or she will carve for the team. The carver then has one hour and one 400-pound block of ice to carve the piece.

Judging is based on the precision of the product. The judges literally measure every dimension and deduct points for as little as a 1/8 inch variation.

But despite the harried pace, two carvers received more than 400 out of a possible 500 points for their efforts—a mark not matched by any of the individual freestyle pieces. Kevin Roscoe from Team Pennsylvania and Mac Winker representing the Michigan squad tallied the highest compulsory scores. Pennsylvania's Richard Bubin placed third.

Competition wrapup: III. Team freestyle competition

The team freestyle event is sometimes the favorite among spectators because of its complexity. The teams receive one ton (five 400-pound blocks) and three hours in which all three teammates work together to complete the sculpture. Coordination and teamwork are the keys to succeeding in the team freestyle, as all three carvers have limited space in which to "do their thing."

The Japanese team, for example, carved an antique Japanese wagon with rope-like detail and a rear door opening to a hollow inside. The detail was fine enough, in fact, to earn the Japanese team second place in the team freestyle event.

Team Pennsylvania's approach was somewhat different in nature, with its carving of an ancient mariner. The captain of the ship—complete with slicker, boots and hat—was placed firmly behind the ship's wheel. Spectators could almost feel the pitching of the ship on the high seas and the wind blowing in the captain's beard.

The Canadian team featured a woman carver—the first woman to enter the competition.

The winning team freestyle sculpture, although a bit simpler in design, was one of the most magnificent. The Michigan team (representing Plymouth Community Ice Sculpture competition) produced a crystal-clear stallion rearing on its hind legs, with sunbursts in the foreground.

Finishing third in the team freestyle competition was Team Canada, which boasted the Ice Carving Classic's first female carver. The team created an angel standing in front of several stained-glass windows.

When the scores for all three segments of the competition were tallied, the team from Japan took top honors, followed by Team Michigan and Team Pennsylvania.

The spirit of the games

After all the carving was finished, the chainsaws and chisels cleaned and put away, a reception for the carvers was held to congratulate the artists for jobs well done.

A member of the Japanese contingent brought the reception to a rousing end, with a traditional closing from Japanese carving competitions, featuring a series of claps followed by competitors raising their hands in the air in unison and giving a hearty yell—a fitting end to a friendly competition. ❑

How the sculptures are judged

A panel of five certified NICA judges was responsible for determining the winners of this year's carving classic. Judges use a standardized form in which points are awarded for first impression (10 points), technical skill and difficulty (40 points), design and composition (20 points), creativity (20 points) and overall impression (10 points). Examined within these categories are such attributes as detail and perception, structural technique, form and symmetry, composition, novelty of theme and utilization of ice.

Beyond the points awarded for the physical attributes of the sculpture, points may be deducted for safety. A panel of three judges walked the floor, monitoring the progress of the carvings, looking for any action that would endanger or jeopardize the safety of a carver or anyone else in the carving area or the crowd. Warnings are issued to carvers if there is any breach of rules. After three safety warnings, points are deducted automatically from the carver's score. Additional warnings result in further deductions.

Tropics on ice. **Cafe Au Lait Inc. of Inglewood, CA, uses natural fruit extracts to make its Paradise Tropical Teas, a new beverage.**

Perhaps one of the most interesting displays at the show came from Kenneth Goodwin of the Grand Traverse Resort in Traverse City, Michigan. Goodwin created a centerpiece entitled "A Day in the Life of a Chef"—a diarama constructed out of marzipan. The centerpiece depicted a kitchen and included 10 marzipan chefs, along with hearth, tables, cabinets, counters, mixing bowls, knives and plates of food.

The association's educational foundation held its annual Salute to Excellence forum for more than 200 of the nation's top hospitality students during the Show.

Advancing the Culinary Arts

"The purpose of these types of competitions is to advance the culinary arts," said judge Mark Erickson about this year's Culinary Arts Salon, adding that it "gives chefs a chance to be innovative, to try new things."

The competition was held in a single salon, not two as was done in the previous two years. In addition to the standard competition for cookery, patisserie/confectionery, and culinary art (showpieces/centerpieces), this year's salon featured an open category for competition of anniversary cakes, to mark the 20th year of the Culinary Arts Salon.

Mario Etemad's (St. Joseph's Mercy Hospital in Rochester Hills, Michigan) display exemplified what the judges were looking for to win the "Best of Show" award. Etemad used natural brown and green hues in his display, which included variations of Michigan ringneck pheasant served with natural sauce, consomme spring style, salad of endive and shiitake, and a chocolate mousse duet for dessert. His culinary technique won him a gold medal in cookery.

The Best Entry by a Junior Culinarian was awarded to Adam Hegadorn (NCHS at Sullivan College in Louisville, Kentucky) for his fruitcake and petit fours entitled "A Springtime Collection."

Leo Waldmeier of the Drake Hotel in Chicago received a Judges' Special Award. He used a common theme throughout his display entitled "Italian Expressions the Modern Way." The other professional to win a Judges' Special Award was Scott O'Farrell of the Skyline Club in Sterling Heights, Michigan.

Four competitors in the Junior Apprentice category also were given Judges' Special Awards for their efforts: Amy McMichael (NCHS at Sullivan College); Timothy Murray (ACF Junior Culinary Team, Evanston, Ohio); James Decker (Columbus State Community College, Orient, Ohio) and Nicole Rose (NCHS at Sullivan College).

Anniversary cake competition

"Because we don't taste the cakes, quality of workmanship in terms of appearance is the sole factor in judging," said judge Mark Erickson. Judge Tim Ryan added,"We're also looking for execution of the basic fundamentals, like the preparation of a buttercream and the use of piping, which are very important."

The winners in the anniversary cake competition were Kerry Ellen Kelzenberg of Marshall Field's among Chicago competitors and Kenneth R. Galloway of Dellwood Hills Golf Club, Dellwood, Minnesota, among out-of-town competitors. Scott View of Joliet Junior College in Joliet, Illinois, took the "Herman Rusch Award" as best junior culinarian for his anniversary cake. ❑

Honoring Special People

It was a wonderful and crowded moment when incoming association president Michael Hurst brought his family, students and staff on stage during the Grand Banquet to thank them for their support. Hurst closed his Ft. Lauderdale, Florida, restaurant for the weekend and flew all staff members who had been with the restaurant for more than five years to Chicago to join the festivities.

Three corporations and two individuals who are setting the industry standard in employing the disabled took a bow at a special press conference. Friendly Ice Cream Corporation, Marriott Corporation and McDonald's Corporation were the three companies honored. Also recognized were individuals who are active in the placement of people with disabilities in foodservice: Ron Trull, director of supported employment of the Texas Rehabilitation Commission; and Ninia Downs, state placement coordinator for the Ohio Rehabilitation Services Commission.

From left: Richard Marriott of Marriott; Edward Rensi of McDonald's; Ninia Downs; Donald Smith of Friendly's; Ron Trull; and Michael Hurst, who presented the plaques on behalf of the association.

Still Selling After All These Years

Many things have changed since the National Restaurant Association first opened its doors to 200 registrants in 1919. The Show, now held in the spring, not fall, has found a permanent location in the Windy City, instead of annually touring different cities, such as Cleveland, Buffalo and Atlantic City.

Special events have come and gone with the passing years, including a waitress beauty contest, a restaurant fashion show and even a three-act comedy drama of the restaurant industry that played to a packed house in 1934.

But despite these passing extras, the essential character of the Show as the largest and most important forum for new and existing foodservice products and services remains unchanged. Come May each year, the Show is still the place to be if you want to make your mark in foodservice. And in fact, many of the same companies that exhibited at the Show six decades ago can still be seen along the aisles of McCormick Place today. Companies like Anheuser-Busch, General Foods, Syracuse China (then know as the Onondaga Pottery Co.) and Swift (now Swift-Eckrich, Inc.) were frequent exhibitors in the '30s, when lodging at the Palmer House (the convention hotel in 1934) cost $3.50 and up for a single and $6.50 and up for a double, and admission to the "Show of Shows" was $2.

How have these and other long-time exhibitors at the Show managed to survive the economic winds of time and change and even more precarious vagaries of consumer preference? They have repositioned themselves and their products to respond to the changing trends, technology and tastes of our society. They have turned adversity into opportunity by adapting to change with new product expansions. They have diversified into new areas of business and have devised new technology. And they have developed the ability to meet emerging industry and consumer needs.

Hats off to Hanley

There's more to exhibiting at a trade show than spreading your wares on a table and pulling up a chair beside them. Nobody knows that better than George Hanley. After 30 years of being in charge of the General Foods booth at the National Restaurant Association Restaurant, Hotel/Motel Show, Hanley has become an authority on trade-show exhibiting—so much so that he wrote his master's thesis on the subject in 1970.

Next year the Show will go on without Hanley. He has just retired from General Foods. To commemorate his long-time association with the Show, the National Restaurant Association honored him at this year's annual Exhibitors' Breakfast and presented him with a plaque. Afterwards, fellow exhibitors crowded around to give him their farewell gifts of T-shirts, mugs and other Show mementos.

Hanley learned the ins and outs of trade-show exhibiting by doing. He was a trained cost accountant when he was transferred to General Foods' sales, planning and administration department in the foodservice division. His new boss gave him a trade-show schedule and told him, "You are now in charge."

"I made every mistake in the book, but never the same mistake twice," he says. Some of his one-time mistakes were showing up late and "assuming plumbers and electricians would come over to your booth and ask what you need." Murphy's Law always applies, he warns, and says the only way to counteract that is to prepare carefully. The best piece of advice he would give any exhibitor is to read the exhibitors' manual. "Everything you need to know is there," he says.

He sees other companies making the mistake of not sending their most experienced people to work their booths. "When attendees ask technical questions, it turns them off to have the company representative say, 'I don't know,' " says Hanley.

Hanley has clearly enjoyed his work. "But it can be physically demanding to stand on concrete all day and smile all the time as if you have a hanger in your mouth," he quips.

In the three decades that Hanley has been coming to the Show, there have been a lot of changes. Hanley remembers having to move to the Stockyards when the original McCormick Place burned down, then going back to a new McCormick Place. "The Show has grown by leaps and bounds," he says. "It has become the most professional, most thorough trade show that we attend in the foodservice industry." ❑

George Hanley receives his 34th-anniversary plaque from former convention chairman John Metz and current chairman Dick Cregar.

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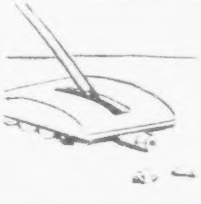
Convention chairman Dick Cregar (left) welcomes Chicago Mayor Richard Daley to this year's Show.

Membership booth awards prizes

Eighty-five Show attendees joined the National Restaurant Association during a visit to the membership booth on the Show floor. One new member, Diane Charles of Irvine, California, won a computer and software package donated by ReMACS.

Ralph Brown of Oakton, Virginia, won the grand prize in the membership drawing—a six-day vacation for two at the Marriott Grand Hotel on the Gulf Coast of Alabama. The prize included airfare donated by Delta Air Lines.

***Clean sweep.* Long-time exhibitor Hoky International of Lakeville, MN, found renewed interest in its carpet sweeper because the new model can sweep up batteries!**



ADDING DIMENSION TO MENUS WITH

SMOKED FOODS

Adventurous chefs are smoking their own meats, fish, fowl and vegetables to be served alone or as flavorful ingredients in soups, stews, salads and sauces.

by Claire Regan

The native Americans did it. The colonists did it. And now American chefs are doing it, too—smoking foods. Although this technique originally was used for purposes of preservation, today's chefs are attracted to smoking because of the distinctly pleasant flavor it imparts to foods.

Executive chef Michael Corradino of the 150-seat fine-dining restaurant Tuscarora Mill in Leesburg, Virginia, chooses to do his own smoking on premises for reasons of cost and availability. "Smoked foods add another dimension to my menu. But I can't always get what I want from a purveyor; and when I can, it (smoked food) can be quite expensive. Smoked salmon might sell for $12 a pound, while the unsmoked version goes for six to seven dollars a pound. I can save at least $10 a week on salmon alone and pay for the smoker in one year," Corradino explains. Plus Corradino maintains that on-premises smoking allows him to be more diverse in his offerings. "Where can you buy smoked acorn squash for smoked-acorn-squash soup?" he questions.

A creative outlet

Smoking certainly does offer chefs an additional creative outlet. Janos Wilder describes his smoked duck breast. "I marinate it in soy sauce, rice wine, vinegar and sherry, then rub it with an Asian 10-spice blend and chili and smoke it over green tea leaves and serve it with apricot coulis and a crispy noodle salad. It has a great, subtle Asian flavor," Wilder, owner of a 90-seat Southwestern-style restaurant in Tucson bearing his first name, likes the woodsy flavor smoked foods add to his dishes. He uses smoked chilies in a wild-mushroom flan, smoked corn in chowder and smoked tomatoes in salsa.

Other chefs appreciate smoking because it allows them to fully utilize certain foods. Jack McDavid, chef/owner of Jack's Firehouse, a 68-seat restaurant in Philadelphia, finds that some of the foods he smokes otherwise might not be serviceable. "I can buy a whole venison and use every bit. The front leg is usually tough, but when I marinate it, smoke it, slice it razor thin and use it in a salad, it's tender, palatable and profitable," says McDavid. He especially likes to use smoked meats and seafood in pasta salads, because the pasta absorbs the smoky flavor.

Elizabeth Terry, chef/owner of Elizabeth on 37th, a 75-seat white-tablecloth restaurant in Savannah, Georgia, prefers to purchase whole chickens even though she may need only the breast for entrees and the carcass for stock. Smoking presents an economical means of utilizing the leg and thigh meat. "I smoke the legs and thighs, debone the meat, toss it with pistachio nuts, shiitake mushrooms, cheese, onions and herbs, roll it in phyllo and bake it. Served with wilted julienned zucchini or summer squash and garlic pecans, it makes a nice appetizer that's high in flavor and sells well," relates Terry.

Terry also favors smoking for the promotional opportunities it presents. "I can't leave my servers with nothing to say to the guests. Smoking gives the floor something to talk about. It sounds glamorous," she says emphatically. Michael LaValle, who owns and operates a catering business in addition to Winston's (a 110-seat pub and grill in Des Moines, Iowa), points out that "Smoking enhances the value of the food without the expense. Everyone has had tenderloin; but smoked over an exotic wood, it's transformed into something special."

Operational challenges

On-premises smoking presents some operational logistics that are absent from other cooking methods. The equipment, location, type of wood and staff training have to be considered. Smokers release smoke; and when used indoors, they must be properly vented (see sidebar).

Chefs like Terry and Wilder who operate in warmer climates prefer to do their smoking outdoors using covered grills. They use homestyle grills, which they appreciate for their durability, compactness, price and ease of cleaning. Michael LaValle also favors outdoor smoking, despite Iowa's harsh winters. "We get cold in the winter, but the smoker is just outside the door. I don't have the space to bring it inside. The smoke permeates everything; and unless you have a large vented hood, there's a problem."

Chefs express a difference of opinion about customers' ability to distinguish flavors imparted by different woods used in the smoking process. Jack McDavid chooses his wood according to its flavor potential. "Hickory and mesquite have a more acid flavor, while apple and cherry are sweeter," he advises. Although he uses a variety of woods, Michael Corradino feels that it takes an educated palate to distinguish among the woods. He recommends adding woody sprigs of fresh rosemary to create another flavor dimension.

Finally, the smoking technique requires mastering. "Like baking, it requires precision. You can't expect an apprentice to do it," warns Jack McDavid. Michael LaValle describes smoking as labor intensive. "It takes experience and time to watch the food that's being smoked. It's easy to [illegible] distracted; and if you leave it smoking for too long, it gets dry." He recommends training one or two employees in the smoking technique.

Flavor without calories

Despite the effort it requires, many chefs agree that smoked foods have popular appeal. "Smoked foods used to have a country connotation, but I'm finding good acceptance on the high end," observes Michael LaValle. "Also, I think they're popular because they add flavor without adding calories. Anyone who can do that is onto something in today's market. Add a salsa or chutney—and bang!—you've got something special," he adds.

SMOKED TOMATO SALSA

Makes 2 cups

Ingredients:

6 tomatoes, seeded, peeled and chopped
2 Tbs. olive oil
1 med. yellow onion, diced
1 Tbs. chopped garlic
2 med. Anaheim chilies, peeled, seeded and diced
1 Tbs. fresh oregano or 2 tspns. dried oregano leaves
½ cup red wine vinegar
Salt and freshly ground pepper to taste

Method:

Prepare a smoker using hickory wood.

To smoke tomatoes, create a container from a 12 by 12-inch square of aluminum foil with the sides folded up. Line container with parchment paper (otherwise the acid in the tomatoes would eat through the foil). Poke holes in container to let smoke through, and add tomatoes. Place container directly on smoker grill; cover smoker, and smoke for about 30 minutes.

Heat oil in a saute pan and saute onion, garlic, chilies and oregano until onion is soft. Deglaze pan with vinegar. Add smoked tomatoes and simmer until liquid is reduced by two-thirds. Season with salt and pepper.

—Recipe courtesy of Ten Speed Press, Berkeley, California, from *Janos—Recipes and Tales from the Southwest Restaurant*, by Janos Wilder, 1989 ($24.95)

Claire Regan is manager, staff nutritionist at the National Restaurant Association.

Smoked foods: the technical issues

Although smoked foods offer operators an opportunity to expand their menu selections, they should be aware of the potential problems associated with on-premises smoking.

There are two ways to smoke foods. Cold smoking involves exposing food to smoke at a relatively low temperature of around 100° F. Cold smoking does not cook foods but rather imparts a smoky flavor. Cold-smoked foods should be planned for immediate service, immediate cooling—with service as quick as possible—or incorporation as ingredients in another food that will receive thorough cooking.

Hot smoking at temperatures above 150° F cooks the food but does not "cure" foods or act as a preservative. That's why smoke-cooked foods should be planned for immediate consumption, for hot holding and service or for rapid cooling for temporary storage, followed by rapid reheating for service. Smoked foods must reach the same internal temperatures as foods cooked in other processes, to destroy any harmful bacteria that may be present.

☐ Poultry, poultry stuffing, stuffed meats, stuffing that contains meats—165° F

☐ Pork and pork products—150° F

☐ All other cooked products—140° F

The rules for holding, cooling and reheating cooked foods also apply to smoked foods. Hot food held for service must maintain an internal temperature of 140° F or greater; if cooled for holding, it must be rapidly cooled from 140° F to 45° F in four hours or less, and if reheated for service, heated to 165° F in two hours or less.

Bob Harrington, assistant director of technical services for the National Restaurant Association, explains the reasons for these restrictions. "Smoking alone (i.e., cold-smoking) does not produce the conditions needed to destroy the natural bacterial contaminants in various foods, and it may allow survival of dangerous spore-forming pathogens, like those that cause botulism." Harrington recommends that operators who wish to serve cold-smoked foods purchase them from a USDA-approved processor. "Commercial smoking usually involves more quality control, including carefully controlled applications of brines and other curing agents to render the food safe and shelf-stable. Few restaurants are in a position to meet the requirements of such commercial processes, which usually are under the direct supervision of USDA," Harrington says.

A variety of smokers are on the market—and they could be seen on the Show floor—ranging from large wood-fired units to electric ovens with small boxes over the heating elements that hold wood chips. Regardless of size, all smokers produce detectable smoke, odors and sometimes even airborne grease and should be vented when used indoors. Because ventilation and exhaust requirements may vary based on area of operation, it's best to check with local officials (fire, health and/or building) before purchasing and installing a smoker. Those who opt to smoke foods outside would be wise to check with local health authorities regarding regulations for smoke emissions and other substances that may affect air quality.

Finally, the use of smokers raises other practical problems. Wood used for fuel, whether it be chips or logs, cannot be stored in food preparation or storage areas because of concerns about fire and insect infestation. And smokers should be cleaned frequently. By-products of smoke production coat the interior of smokers. This buildup of tar and creosote presents a fire hazard and also may transfer flavors to other foods cooked in the unit.

Cancer concerns

Smoking may be a low-fat means of adding flavor to foods, but is it safe in terms of cancer risks? The National Cancer Institute (NCI) recommends that Americans minimize consumption of smoked foods. Smoking or charcoal-broiling foods causes carcinogens and potential carcinogens to be deposited on the surface of food. To minimize exposure to these substances, NCI offers the following guidelines for barbecuing and hot-smoking foods:

☐ Choose lean cuts of meat and carefully trim meat of all visible fat before cooking.

☐ Choose thin cuts of meat that cook quickly. Avoid charring the meat.

☐ Precook meat or poultry to reduce the grilling time.

☐ Remove visible fat and skin from poultry.

☐ Grill low-fat foods that cook quickly, such as swordfish, monkfish and other firm fish.

☐ Raise the level of the grill so food is further from the heat.

☐ Grill foods in foil until the last few minutes; then grill directly over the coals.

☐ Clean the grill after every use.

KEEPING INTEREST ALIVE WITH SPECIAL-EVENT DINNERS

There is a little part of all of us that likes to feel special. It is no wonder, then, that special-event dinners have become an effective way to build long-lasting relationships with customers.

by Julie Fintel

On the day reservations open for New York City's Union Square Cafe's wine dinners, the phone rings constantly. "The dinners sell out in a minute," says owner Danny Meyer. "It's not pretty here the day people call in. I have to have someone special here just to handle all the calls."

When La Scala of Little Rock, Arkansas, began wine dinners five years ago, 12 to 15 people came. Now 350 people are on the mailing list to hear about the dinners, and the restaurant closes one Monday a month to accommodate the 60 to 65 people who are first to sign up. Some customers come regularly: "Just put us down as an automatic yes," they tell manager Mike Wallace. Wallace says people buttonhole him at parties and demand to be put on the mailing list for the wine dinners.

Theme or special-event dinners are usually multi-course affairs prepared for a set number of people, with the food and beverage tied into a theme. The most common themes are foods and wines of a certain country or region, or wines from a certain winery with foods chosen to complement them.

The Lark, an upscale restaurant in West Bloomfield, Michigan, which holds one theme dinner on two different nights per month, has sponsored everything from the most elaborate French meal to a simple New England shore dinner. La Scala has tried a "grazing format" with wines and foods assembled from seven different countries, a wine brunch and a dinner where all the wines were the same kind, but from different wineries. For example, one dinner featured only Sauvignon Blancs; another featured seven different California Chardonnays.

The "winemaker dinners" at Chez Melange in Redondo Beach, California, which have been going on for eight years, have evolved from simple events planned around the products of one winery to all-encompassing concepts that include decorations and entertainment. "Our guests would get bored after eight years with the basic wine dinner. We must package it better," says co-owner Michael Franks. Plans are underway for a "Dine on Desserts" evening. It will begin with a stand-up reception featuring appetizers. Then the guests will be seated to sample six desserts prepared by chefs from some of the area's most prestigious restaurants—with a different dessert wine served with each dessert.

Food first, wine second

Some restaurants make food the star of the special event. Although appropriate wines are often recommended, they are not a necessary part of the occasion.

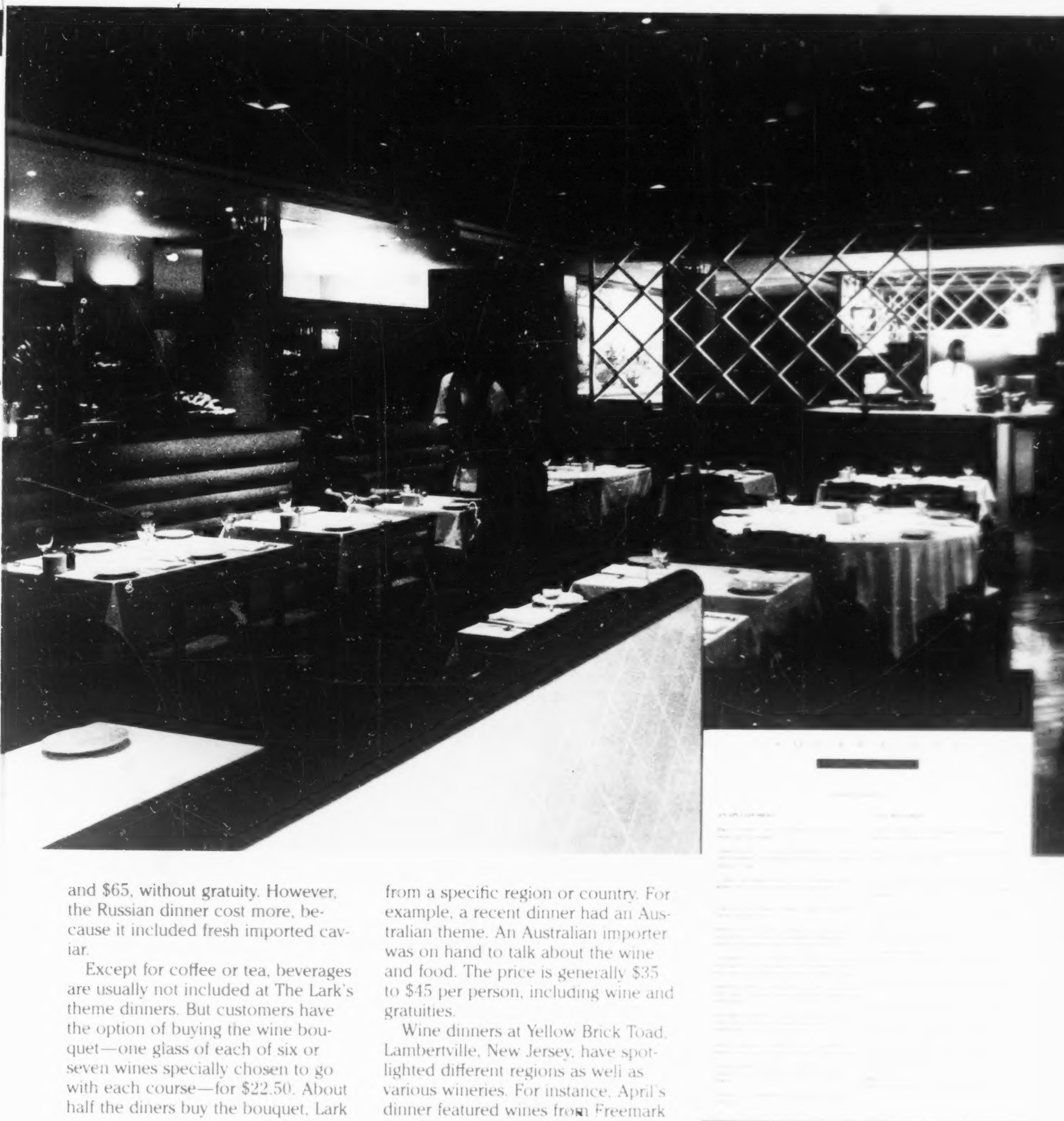
Joyce Goldstein of Square One in San Francisco has been serving regional dinners and lunches every Wednesday for nearly five years. The average dinner check is $38, which includes wine but not gratuities.

The restaurant has featured the cuisines of the Middle East, Spain, Portugal, France and Latin America; patrons are currently eating their way through Italy, with one region featured two Wednesdays in a row. Customers order a la carte from a selection of two pastas, two sautes, four grills, five salads, two soups and five desserts. For example, when the region of Lazio (which contains the city of Rome) was featured, some of the menu offerings were *saltimbocca* (braised veal scallop with prosciutto), baby lamb chops, a polenta plate and a fritto misto of artichokes, cauliflower, zucchini and rice croquettes.

Regular customers know to make their reservations early. Co-owners Joyce Goldstein and son Evan Goldstein see the special meals as a way to keep interest alive, a way to offer customers something out of the ordinary.

The Lark's owners Jim and Mary Lark have offered a Russian dinner and a Monet dinner (patterned on food enjoyed by the French painter), but the most popular is the annual Old English Christmas dinner, with its main course of roast goose and other courses like the beignet of Dover sole, oysters with periwinkles in champagne sauce, and the Yule log with rum sauce. Cost of the special dinners at The Lark is between $60

Julie Fintel is a communications specialist at the National Restaurant Association



and $65, without gratuity. However, the Russian dinner cost more, because it included fresh imported caviar.

Except for coffee or tea, beverages are usually not included at The Lark's theme dinners. But customers have the option of buying the wine bouquet—one glass of each of six or seven wines specially chosen to go with each course—for $22.50. About half the diners buy the bouquet, Lark says.

Wine first, food second

Other restaurants are having great success with wine dinners, with the event keyed to wines from a specific winery or to wines from a particular area.

La Scala generally offers five to six courses with accompanying wines from a specific region or country. For example, a recent dinner had an Australian theme. An Australian importer was on hand to talk about the wine and food. The price is generally $35 to $45 per person, including wine and gratuities.

Wine dinners at Yellow Brick Toad, Lambertville, New Jersey, have spotlighted different regions as well as various wineries. For instance, April's dinner featured wines from Freemark Abbey, California. Winemaker Ted Edwards was on hand to talk about the wines being served.

The March dinner featured Alsatian wines and food. A representative of the Alsatian Interprofessional Wine Committee, Jeffrey Pogash, was the featured speaker. Pogash also worked with Yellow Brick Toad's chef to develop ideas for the foods and wines that were served. Together they chose Pinot Gris Trimbach 1986 to go with the *hasenpfeffer* (rabbit stew) appetizer, Gewverztraminer Clos St. Landelin 1987 to match the grilled venison with foie gras and a Gewverztraminer Trimbach 1983 for the apple tarts. Price for this dinner

> ***"We never repeat a dish, and we never use something from the regular menu. It's always something new, and we take chances. But experimenting with the food as well as the wine is what it's all about," says Franks.***

was $80, but Yellow Brick Toad's wine dinners cost as little as $55 and as much as $135.

Some recent themes for wine dinners at Union Square Cafe were "A Celebration of the Roman Trattoria with Country Wines of Italy" and "The New Wine and Food of Switzerland." The dinners take place on Sunday nights, when the restaurant is normally closed. For $75 to $100 (depending on the food and wine served) each of 75 diners enjoys eight courses and eight wines.

Although possibilities for different wine dinners seem endless, some restaurateurs are trying dinners planned around another beverage. Beer dinners have already proved popular in some places (see ***Restaurants USA,*** February 1990). Chez Melange is planning a dinner featuring the beers and food of the Los Angeles Brewing Company in West Los Angeles. The company, headed by Wolfgang Puck, produces Eureka California Lager and runs the Eureka restaurant. Champagne has also been served at Chez Melange, and The Lark's Russian dinner featured Stolichnaya Vodka—poured from bottles encased in ice in which flowers were suspended.

Food must be innovative

When sampling wine is the main purpose of the theme dinner, then the food is chosen to marry with the selected wines. "Choosing wines and food is easy," says Meyer. "The same combinations have usually been served together for centuries." An exception "and a real challenge" was the Mother's Day dinner at Union Square Cafe, with all the wines made by women, and food that was chef Michael Romano's version of "mom's cooking." Meyer ended up serving wines from California, Alsace and Italy to go along with the stuffed clams, lasagne and strawberry-rhubarb crisp.

Many wine dinners are planned with the sponsorship and help of a wine distributor or winery owner. When that is the case, the restaurants may use the food suggestions and recipes provided by the winery. For example, La Scala used recipes from Chateau Ste. Michelle Winery's cookbook, *Star Spangled Cooking*, for the lobster tortellini, salmon in Oregon hazelnut butter, tenderloin with wild mushroom sauce and poached spiced pears that were served with that Washington state winery's products. La Scala also uses guest chefs periodically to host its dinners—a couple who teach Italian cooking at the local adult education center come every six months to prepare their Italian specialties.

Nevertheless, the presentation of authentic food in line with the theme requires exhaustive research and tasting. After Chez Melange co-owners Franks and Bill Donnelly choose a winery, they taste the wines to be served. They then discuss with other staff what foods will go best with the wines and the concept they will use to present the wines and the food. "We never repeat a dish, and we never use something from the regular menu. It's always something new, and we take chances. But experimenting with the food as well as the wine is what it's all about," says Franks.

Some restaurant owners and chefs use their travels to gather menu ideas and recipes. Jim and Mary Lark try to take a trip at least once a month to gather inspiration for their food. Meyer and his chef also travel; the result of their last trip was the Roman trattoria dinner.

Yellow Brick Toad owner Dan Duthie uses restaurant-owner friends in the area who are willing to share recipes and advice. And the Larks also delve into food publications and their library of cookbooks.

To close or not to close

How the dinners are staged also varies. Some restaurants close for the evening of the dinners. Others hold the dinners in a special room. Union Square Cafe and The Lark hold the wine dinners on nights they are closed anyway. La Scala began by holding its dinners in a private room during regular dining hours, but finally had to close the restaurant for the evening of the dinners because the owners wanted to include more people.

Yellow Brick Toad's wine dinners, limited to 30 people, are held in a part of the restaurant sectioned off from the main dining room by trees. "I like the regular diners to be able to get a glimpse of the tables set with the many wine glasses," says Duthie.

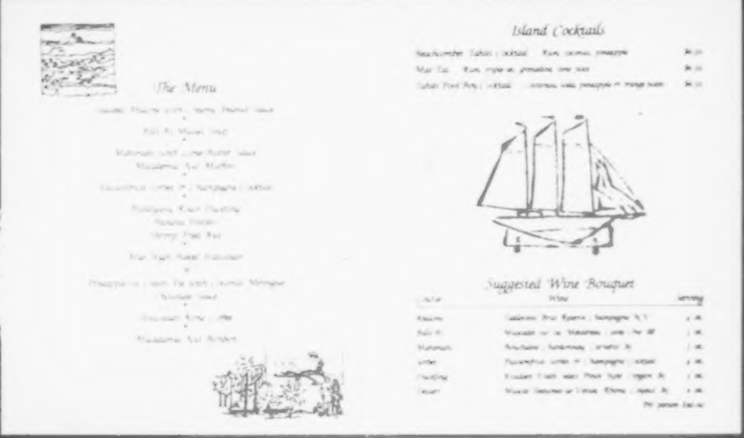
Sunday and Monday nights are favorite times for special-event dinners because those evenings are generally slow. Meyer doesn't hold wine dinners in the summer or fall—summer is when he and his chef like to travel, and fall is too full of Thanksgiving and Christmas plans.

Learning and having fun

Food and drink may be the main attraction, but another reason the dinners are so popular is that they're fun. "It's one of the lures," says Meyer. "Guests get to meet people with whom they have something in common, i.e., an interest in food and wine." To be sure the guests mix with each other and don't just stick to their own group, the tables are small and the restaurateurs play matchmaker—seating people at tables with other people they think will prove compatible. "It's one of the fun things I do—arranging the seating," says Duthie. "But you can't go wrong; they're all nice people." Meyer limits parties to four persons to be sure one large group doesn't take over the evening.

Most dinners will have an official host, who not only oversees the whole evening but also acts as lecturer. Sometimes it's the wine distributor or winery owner, sometimes it's

The Lark



The Menu

Island Cocktails

Suggested Wine Bouquet

the restaurant owner. Lark announces each course and tells about the wines offered. Meyer does the speaking himself, talking not only about the meal being served but also about the region that inspired it. He said he gets a lot of audience participation that even sometimes takes the form of disagreement with wine and food choices he has made—"proving that people's palates are all different," Meyer adds.

Franks chooses his vineyard owners and winery representatives with an eye toward personality as well as expertise. The more flamboyant the better, he says. A recent dinner featured two winemakers, Robert Long of Long Vineyards and Robert Pecota of Pecota Vineyards. The result was a double act—"very lively and very funny."

Usually the host speaks from a central location, but at the Yellow Brick Toad the wine authority rotates to an extra place set at each table. "It's more personal—they get to know him, and he can answer all their questions," Duthie explains. Since the regional meals at Square One are ongoing during the entire day, Goldstein tells her customers about the dishes they are enjoying by printing explanations on the menu.

Music or other entertainment can also be part of the program. Meyer doesn't usually include entertainment, but once he surprised his guests with 10 minutes of Sardinian folk dancing. On the other hand, music appropriate to the theme is always a part of the dinners at The Lark. "But it's not so easy to find something authentic," Lark says. "For example, you can't so easily find Moroccan music."

Lark also adds other touches to get people in the right mood for the dinners. His wife Mary arranges the decorations, finding flowers and displaying objects from their travels in the case in the lobby. The Larks also print a menu specially for the occasion, and each dinner guest receives a favor to take home. Couples attending the Monet dinner received a Monet print; Russian-dinner guests received an authentic measured crystal serving glass, imported for the restaurant by Stolichnaya Vodka.

Franks of Chez Melange works with a florist who's skilled at devising decorations in line with the evening's theme. For example, a champagne dinner might have centerpieces made up of a champagne bottle, flowers and balloons. But the banquet room itself, where the dinners are held, already sets the mood with the many winery posters adorning the walls.

Dressing the staff in appropriate garb can also add to the evening's mood. For the Australian wine dinner, the staff at Yellow Brick Toad wore outback gear and bush hats donated by the Australian consul. Rented lederhosen were worn by the male staff for the German dinner.

Announcing the event

Newsletters are the most popular way to notify customers of special-event dinners. They lend themselves well to descriptions of wines and foods to be served and introductions to special guest hosts.

The conversational tone of a newsletter also is in keeping with the clubby, intimate feeling fostered by the dinners.

Comment cards placed on tables are usually the source of the newsletter mailing list. If the cards ask customers to check events they are interested in, then those interested in wine or theme dinners can be specifically targeted for announcements.

"I can't quit"

Special-event dinners are a lot of work. Choosing a theme, researching the food, finding the ingredients, testing the dishes, procuring the wines and training the staff are just some of the steps involved. But with their dinners almost always selling out, most owners who invest in these special dinners would agree with Meyer: "I can't quit; there's too much demand." ❑

VIEWPOINT

WHAT'S A CONSULTANT

by Robert H. Kaiser

What's a foodservice consultant? If you watched "Frank's Place," a television program about a restaurant by that name that aired a couple of years ago, you heard one character say: "A consultant is someone who can tell you 40 ways to make love to a woman—but he doesn't know any girls."

That definition may make good TV comedy, but it's just not that way in the real world.

A foodservice consultant is actually a person who has management and technical experience in the restaurant field. An operator hires a consultant to get a job done faster, to obtain another way of approaching a solution to a problem or to provide a discipline that may be lacking within the organization.

Consultants are problemsolvers. They define the causes, recommend solutions and, if required, help in the implementation. They do as little or as much as their clients want.

The best way to explain what a consultant does is with some examples.

1. Planning for existing facilities

The Hotel Summit, in midtown New York, was just not attracting customers to its restaurant and cocktail lounge called the Gaucho Room. Unlike the fellow in "Frank's Place," we had no quick answer. We emphasized the need for a thorough market study to determine which way the operation should go and were given the okay to proceed with a market study and feasibility analysis.

On the basis of our research within the many office buildings in the three-block area around the hotel and in the 1,500 hotel rooms, we concluded that the best opportunity was at lunch and that the customers would be principally junior executives and clerical workers. Further research indicated that what might be considered a "high-class saloon" of years ago would be the type of facility to attract this market. After carefully looking at the operation's financial resources, the concept of "Maude's" was developed. A sumptuous buffet and a lavish bar proved to be drawing cards for the new restaurant, which has maintained excellent business for the past 15 years.

2. One kitchen for two

The owners of a successful multi-unit facility in Lewisburg, Pennsylvania, were seeking to increase sales and to keep operating costs at a minimum. Under one roof they operated a restaurant, did both on and off-premises catering and had a separate bar to which they wanted to add food.

Our first concern was to determine if overall efficiency could be improved. We found two kitchens: one doing general preparation and banquets; the other a service kitchen for the restaurant. Our recommendation was to develop one centralized kitchen for all the facility's needs, and we developed a program to implement design and construction.

The kitchen consolidation saved labor, improved efficiency and reduced operating costs. Meanwhile, we suggested the bar serve as an outlet for pizza developed from a new cheese bread that did not require special equipment or specialized talent. The pizza was introduced—and it brought a sharp increase in sales.

We also suggested the off-premises catering might include box lunches, sold and distributed at corporate dining facilities. This box-lunch program proved successful.

3. Out of the pits

One operator created a specialized way to barbecue chicken and pork ribs. He opened his barbecue pits in

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Robert H. Kaiser, FCSI, is president of Robert H. Kaiser Associates, Inc., of Ossining, New York.

Saratoga, New York, on a seasonal basis only. We were asked to find a way to increase sales in the short term and to develop a master plan for future expansion.

Outdoors, the operator had 16 tables for eight. We recommended he add some smaller tables to seat no more than four. Our survey had shown that while the 16 large tables were occupied, few were ever filled to capacity. People generally do not like to share tables. Once he added the smaller tables, he filled more seats and increased his sales volume.

Smaller tables can improve profits in many facilities. If a dining room has an abundance of tables for four, for example, some can be replaced with tables for two. These can be butted if larger parties arrive.

4. Food costs too high

Profits in a restaurant in Lahaska, Pennsylvania, were down although the sales volume remained high. Our investigation showed food costs, based on portion cost, pricing and sales mix, were running six to eight points too high. We examined the methods of purchasing, receiving and all other areas affecting food costs and found that procedures originally laid down by management were not being followed. As often happens, failure to check procedures frequently allows them to be bypassed. Once we knew the root cause of the problem, we developed a program for regularly reviewing the original operational plan of the restaurant.

That "extra arm"

Knowing what a consultant does may still leave the question, "Why hire someone to do what I, as an operator, should be capable of doing?" Although it's true that good operators know their problems as well as possible solutions, there are just so many hours in the day and management is most often involved in day-to-day operations, with little time left over for planning. A consultant can help the operator get the job done.

A consultant can serve as a sounding board and help an operator crystalize his or her thinking. The consultant has the experience to know what others are doing, what has worked and what has failed. The consultant's perspective is often broader.

The bottom line

"Can I afford a consultant?" an operator may ask. "Afford" is not as simple an idea as it may seem.

Suppose you purchase a piece of equipment for $10,000, knowing it will save you $3,500 a year in labor. That's a 35 percent return on your investment. It is the same with problems.

If your food cost is running five points above potential, for example, costing you an extra $1,000 a month, and a consultant defines the causes, recommends possible solutions and, if necessary, helps you implement the recommendations, the $7,500 he or she would charge would save you $4,500 in the first year alone.

So, finally, look upon retaining a consultant in the same way you look upon any other investment—the return-on-investment way. ☐

What type of expertise do consultants offer?

Foodservice consultants offer a wide range of services. No single person claims to be an expert in all areas, but some foodservice consulting firms are large enough to hire staff members to cover every potential design and operational challenge.

Specific areas of skills include the following:

Design
Engineering
Equipment selection
Specifications
Facilities layout
  ☐ Kitchens
  ☐ Laundries
  ☐ Bakeries
Decor
  ☐ Interiors of all types
Energy systems

Management
Management systems
Employee training
Menu planning
  ☐ Recipe formulation and testing
  ☐ Food specifications
  ☐ Nutrition
  ☐ Portioning/packaging
  ☐ Simplified cooking methods
Troubleshooting
Operations review

Planning
Marketing research
Feasibility studies
Concept planning
Marketing studies
Programming

—Foodservice Consultants Society International (FCSI)

Editor's note: FCSI is a worldwide organization with members in more than 30 countries. Consultants qualify for membership by having at least 10 years of experience in food-industry consulting. They must pass critical reviews of professional competence and must have been published in the field.

Choose your consultant carefully

1. Ask colleagues and other well-informed executives for several referrals. Check each person's credentials and give each candidate the same data on your project.

2. Ask each consultant to describe his/her approach to your situation. This isn't asking for details—just for a description of the problemsolving process.

3. Ask for references and follow up on them, asking:

☐ Were you satisfied with the services performed? If not . . . why not?

☐ Would you hire this consultant again? If not . . . why not?

☐ Did the consultant meet your deadlines?

☐ Did the consultant coordinate properly with other specialists on the project (i.e., architects, engineers)?

4. Inspect some of the consultant's projects. If that's not possible, call the operators and talk frankly about their level of satisfaction with the consultant's work.

5. Interview each finalist in person. Face-to-face meetings are invaluable.

—FCSI

SINGULARLY, SINGLE MALTS

SPRINGBANK
12
YEARS OLD
SCOTCH WHISKY
LAPHROAIG
10
The GLENLIVET
AGED 12 YEARS
Pure Single Malt Scotch
MACALLAN
Glenfarclas
12
YEARS OLD
PRODUCT OF SCOTLAND
DYBURN
12
E BALVENIE

by Philip Kralovec

Americans' tastes in alcoholic beverages are unpredictable. Examine the parallel growing popularity of wine coolers with fine vintages, or light beers with fully flavored boutique brews or now "soda-pop" flavored vodka and schnapps drinks with intensely flavored single-malt scotch whiskies. Although it is not an easy task, understanding these very different market segments can help restaurateurs operate a more profitable beverage business. Here we take a look at single malts.

The popularity of single-malt scotches is relatively new. Whereas just a few years ago there were only 20 or so single malts available in the United States, now that number exceeds 100. According to trade sources, single-malt scotch whisky is the fastest-growing segment of the "brown goods" category of the industry. Single malts are being sipped as cocktails and savored as aperitifs and digestifs with a full-course dinner. Indeed, they are very much like a fine cognac in character.

As the name implies, scotch is a cultural signature of Scotland. Each glen and burn is seemingly blessed with its own distillery that makes its own distinctive whisky. It is so important to Scotland's commerce and culture that in the early part of this century a special commission was established to define it. The findings described scotch as a spirit drink, distilled from malt with or without the addition of other grains, aged in casks for a minimum of three years and—most important—distilled and matured in Scotland. There are a few scotch-style whiskies made outside Scotland (Japan makes one), but these producers may not and do not use the "scotch" designation.

The definition of scotch and the procedure for making it are not terribly different from those for Irish whisky, bourbon or any other type of whisky (see sidebar). What most notably distinguishes scotch from the other varieties is its distinctive flavor.

The taste has been described as a sharp, medicinal, tongue-tingling tang, and it usually takes a while to cultivate a taste for it. Once an appreciation has been developed, the taste is a wonderful complement to the soft, sweet fullness of the malt. The spring water used by distilleries becomes impregnated with the flavor as it runs over and through the land. This flavor can be enhanced if peat, a fossil fuel, is used to kiln the malt in the whisky-making process.

Philip Kralovec, assistant to the director at the association's Chicago office, is an aficionado of fine beers and spirits. He broke the story of the beer revival in the January 1987 issue of ***Restaurants USA.***

Until recently, most of the scotch enjoyed in this country has been blended whisky—Dewars White Label, Johnnie Walker, Chivas, J&B, Grants, etc. These blends were devised by whisky merchants because their less intense flavors were thought to appeal to wider markets. A blend may contain between 24 and 40 different whiskies, including malt distillates and neutral spirits distilled from other grains. This in no way means blends can't be good. On the contrary, many are beautifully balanced hybrids.

Four main styles

Single-malt scotch whiskies, on the other hand, contain only malt whiskies (that are made from barley malt) from a single distillery. There is also a vatted malt, which is a blend of single malts usually of the same style. What makes single malts distinctive is their intense flavors. These include soft, sweet malts from the Lowlands; peaty and smoky selections from the islands; the clean, briny Campbeltown whiskies and the elegant, complex, Highland malts.

A good selection of single malts should include at least one scotch of each of these styles.

☐ *The Lowlands.* The Lowlands obviously, as the name suggests, is the lowest section of Scotland, where the largest cities Glasgow and Edinburgh are situated. The geography of this area is less mountainous and less peaty than other areas of the country and, predictably, the whiskies the area produces are softer and sweeter. This makes them an excellent starting point for learning about single malts. Fine examples of this style include Auchentoshan, Glenkinchie, Ladyburn and Littlemill.

☐ *The Campbeltown.* This is the smallest of the regional styles. These single malts are produced on the coast of a southern peninsula known as the Mull of Kintyre, which projects into the North Channel on the Atlantic Ocean. These are clean-tasting whiskies with a hint of sea air in the nose. Some say this trait comes from the sea mist rolling ashore, which is inhaled by the casks as they breathe in and out with each change of season. Only two distilleries operate there today—Glen Scotia and Springbank.

☐ *Islay.* These are the most distinctive-tasting of all single malts. Pronounced "eye-la," this tiny island in the inner Hebrides on the west coast of Scotland plays host to eight or so unique distilleries. These whiskies have the most intense peat flavor, which makes them an integral part of many blends. Smoky and seaweedy tones make them even more unusual. Fine examples of Islay whiskies include Bowmore, Bunnahabhaim, Lagavulin, Laphroaig and Talisker (Isle of Skye).

☐ *Highlands.* This is whisky heaven. Of the 100-plus malt distilleries in Scotland, about 60 are concentrated in the lush green Highlands. The varied geography of this section of the country includes mountains yielding their crystal-clear waters to streams and rivers, peaty moors and fertile fields for sweet grains—everything needed for a fine scotch. Not surprisingly, then, the area produces many complex, beautifully balanced whiskies. Within the area, there are numerous classic substyles; the Livet River, for example, hosts several distilleries producing in the glenlivet style. The nearly endless list of fine Highland malts would include, from the west Highlands to the east: Highland Park (Isle of Orkney), Glengoyne, Oban, Glenmorangie, Knockando, Dalmore, Dalwhinnie,

What is whisky?

The word "whisky" is derived from a Scotch Gaelic expression that means "water of life." Whisky is made by grinding malt (germinated barley) and at times other grains, steeping this grist in water, fermenting the separated liquid, reducing that liquid down to alcohol with heat and finally aging the alcohol in sherry or bourbon casks. Aging varies from three to 50 years. The casks color the whisky golden brown or a tawny gold and contribute to its complex flavor. The sherry butts impart those tones to the taste, and the American oak of the bourbon casks can add a hint of vanilla. Unlike wine and like beer—which it is closely related to—once bottled, scotch will age no longer.

Cragganmore, Glenfarclas, The Singleton of Auchroisk, The Macallan, Glen Grant, The Glenlivet, Balvenie, Glenfiddich, Glendronach and Lochnager.

All of these single malts are at least 10 years old, and most of them are aged for 12 years. Many single malts are available in a variety of vintages: 10, 12, 15, 18 and 25 years are the usual periods of aging. It is quite interesting and enjoyable to sample the same malt in different vintages back-to-back, to see how the aging has affected the whisky.

Regrettably, many single malts are not yet widely available in all areas of the country. Fortunately, though, the selection is quickly and steadily increasing. Single-malt whiskies may be found in their own distinctive distillery bottlings or in one of two merchant bottlings: Cadenhead, with its generic-looking black label, and Gordon and McPhail's Connoisseurs' Choice Collection.

Well-tailored to restaurants

What makes single malts especially well tailored to a restaurant or lounge is their cost. Because a fifth retails for $20 to $150 for the rare 25-year-old scotch, even the most devoted of malt-lovers will keep only a small collection at home. A good selection in a restaurant enables a malt-lover to enjoy and compare many more different malts less expensively. Depending on the whisky and the location and type of operation, the price of a single malt can range from $3 to $25 per drink. Besides building check averages, these prices can also make the drinks very profitable.

Most fine restaurants already carry a nice selection of single malts to complement their showcases of champagne, cognac/armagnacs and liqueurs. Midscale restaurants are now, too, offering malt selections.

Some restaurants have been building single-malt lists for years. One is the North Star Pub in New York City, which now features 61 malts. It promotes its scotches with group tastings, and it recently instituted a "self-guided" tasting any customer can enjoy at any time. It's a very low cost, ongoing promotion. According to Deven Black, the North Star's general manager, the pub offers four separate tastings to cover four distinct aspects of single-malt appreciation: the effect of the geography of Scotland, the effect of the type of barrel used for aging, how different lengths of aging affect malt whisky and how malts are used in creating brand-name blended scotches. The tastings are priced between $9 and $19.50 and include three to four whiskies, tasting notes and crackers for palate cleansing.

Not for mixed drinks

Finally, single malts are too special to be used in a mixed drink. They are best enjoyed "neat" or with just a splash of water. These are sipping whiskies and should be tasted as one would a fine wine. Sniff them first, swirl them around the mouth to detect the body, and last, take note of the myriad complex flavors: peat, fruit, smokiness, sherry, vanilla, etc., in the nose, palate and finish. ❑

Editor's note: To explore single malt further, read an excellent source, *The World Guide to Whisky*, by Michael Jackson. This beautiful book gives malt-by-malt profiles as well as an overview of other types of whiskies.

Single malts at the Show

KNOC
1976
FINE SINGLE
SCOTCH W

Not surprisingly, single malts had a greater presence at this year's Show than in previous years. Not only has the number of exhibiting companies that market single malts increased, but so has the number of single malts those companies represent.

One of the newest entries in the single-malt market is Heublein, Inc. Three months ago it began representing Highland Park, a rich and beautifully balanced malt produced on the remote Isle of Orkney off the northern tip of Scotland. Heublein selected this single malt because it is an integral component of its blended whisky, Famous Grouse. Enthused by a successful test market, Edwin D. Gualtieri, president of the Vanguard Group, reports that the single malt will be available in many major markets this summer.

Another exhibiting company, Paddington Corporation, represents the interestingly named single-malt Knockando, which is additionally distinctive because its label records the year of distillation as well as the year of bottling. This company also markets the well-known blend of J&B. Paddington introduced Knockando in 1983, which makes it one of the first of the new wave of single malts to reach the United States. It has focused on fine-dining restaurants to market the whisky. A sister company, Morgan Furz, markets another distinctively named and flavored single malt, The Singleton of Auchroisk, often referred to as The Singleton.

The William Grant and Sons companies presented Glenfiddich, the second-best-selling single malt in the United States. Glenfiddich was first introduced in the United States in 1963, which makes it one of the first single malts available here. Sales have significantly increased during the last few years, and the company also noted a marked increase in the number of operators inquiring about and sampling its single malts at this year's Show. Additionally, William Grant distills, imports and markets Balvenie, an elegantly bottled premium whisky. It is now widening the U.S. distribution of this highly regarded malt.

Last, the House of Seagram was on hand with The Glenlivet, the top-selling single malt. Seagram's owns 10 single-malt distilleries in Scotland. Several of these produce whisky primarily for its super-premium blend, Chivas Regal; the others are regarded as too small to produce for the U.S. market. The Glenlivet is an elegant malt, which is historically significant because it was the first legal distillery in the Highlands. Seagram's has capitalized on this proud heritage in a recent ad, which boasts: "The Glenlivet. The Father of All Scotch."

According to Mark Gothberg, product manager, Seagram's is very optimistic about the market for single malts. It intends to continue to aim toward increasing on-premises business so more people can sample and develop a taste for the whisky.

#108

Interviewing a securities analyst

In a brief conversation with my seatmate aboard a 757 on my way to an industry conference, I discovered he was a foodservice industry securities analyst for a major brokerage firm. We chatted for a while, but then I put the seat recliner back, closed my eyes . . . And all of a sudden the analyst and I were once again engaged in conversation.

Me: *What is the single most important thing you look for in valuing the stock of a foodservice firm?*

Analyst: That's easy! The key thing for me is the size and color of the print and photos the firm uses in its advertising, menus, menu boards, placemats or tray mats.

Me: *Really! I'm amazed! I never would have thought something such as that would be a determining factor.*

Analyst: It makes perfect sense if you stop and think about it. The population is getting older, and older people often have trouble with their eyesight. They like large print, and so they notice the companies that have large print more frequently, which draws them to those establishments. Children, on the other hand, like a lot of color, so they're drawn to photos. Many teenagers these days don't read very well, so the photos are helpful to them, too.

Me: *That's incredible! What about the fundamentals of the business, such as quality of food, good service, a clean and pleasant atmosphere, adherence to standards and customer orientation?*

Analyst: A few restaurant patrons pay attention to those things, of course, but we analysts don't. Fundamentals to an analyst mean growth in earnings, growth in return on equity, increasing market share, things like that. Those are the fundamentals we're interested in. We don't care about all that other stuff. It's superfluous to us.

Me: *Well, what about the quality of the company's management, the excellence of its training programs and the care and attention it gives to research and quality assurance? Do you ever chart those things?*

Analyst: We give it lip service to make corporate management feel good about talking to us, but those things are not as critical as print size, color and photos. Also, the word "chart" means something different to an analyst than it does to you. A "chartist" simply looks at the cyclical movement of the price of the stock over a period of time and then makes buy, hold or sell recommendations depending on where the current price falls on the cyclical chart.

Me: *That all sounds so financial and so technical to me. I sense a lack of appreciation for the basic nature of business.*

Analyst: Well you certainly don't have to be a gourmet—or a gourmand, for that matter—to be a foodservice securities analyst. We get measured by consuming information and data, not food. Then we digest it, if you'll pardon the pun, and then, we "repackage" it and send it out to our clients.

Me: *Tell me, do you follow other industries?*

Analyst: Oh yes! My firm has also assigned me to the pet-food manufacturing industry.

Me: *Isn't that terrific. I suppose you see some parallels between the two industries?*

Analyst: Actually they're reverse. The quality of the food is the key element in the pet-food industry. All those dogs, cats, birds, hamsters and goldfish can be pretty finicky about their food. If they don't like something, they don't eat it. That affects the company's bottom line pretty fast.

Me: *I have noticed that many analysts will change their recommendations several times within a short period from buy to hold to sell and back again. That doesn't display much loyalty to the companies they follow.*

Analyst: Loyalty? Are you kidding? That word does not exist in our vocabulary. We're interested in our pocketbooks, not in emotional sentiments.

Me: *I'm not talking emotion, I'm talking long-term perspective. American companies are often criticized for managing for the short run and not the long run, as some foreign corporations do, for example. It seems the financial markets and securities analysts penalize a company that takes some short-term "hits" to fortify itself for a better future.*

Analyst: That may be true, but that's the system, and I'm not going to buck it. I've got my commission to think about.

Me: *How often do you eat out?*

Analyst: I eat out all the time. I go to all sorts of restaurants just to keep proving my theory about print size, color and photos being the key determinants to financial success. It works. By the way, you may want to buy some stock through me. I've really got a hot tip. It's a sure-fire thing to triple your investment in 30 days. It's a foodservice firm. You're the first one I'm letting in on it. I recommend you buy . . .

The crackle of the plane intercom startled me, and I realized I had been dreaming. This conversation never actually took place. Securities analysts are probably not like that . . . or are they?

Fisher's Law #108: A business should drive the stock price by excelling in its business. A business should not be driven by its stock price.

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CREST* report—1990 winter quarter

Restaurant traffic advanced a slim 0.8 percent in the winter quarter of 1990, compared with the 1989 winter quarter. This marks the third consecutive quarter of traffic increases. However, the traffic growth in the winter of 1990 was substantially lower than growth in both winter 1988 and winter 1989, when traffic advanced 3.2 percent and 2.1 percent, respectively. Below-average temperatures throughout the country in December may have had a dampening effect on customer traffic growth.

Contrary to quarterly growth in 1989, upscale restaurants posted a large decline in customer counts, as customer traffic at upscale restaurants fell 3.5 percent from winter 1989 levels. Midscale restaurants, which registered increases in customer counts in the 1989 summer and fall quarters, likewise witnessed a decline in customer traffic in the winter quarter of 1990—down 2.4 percent. Quickservice restaurants were the only establishments to register traffic advances—a 2.4 percent gain.

Although two out of the three restaurant segments saw a drop in customer traffic, growth occurred at all three meal periods. Supper traffic advanced a robust 2.6 percent from winter 1989 levels—the highest growth of the three major meals. Customer counts for both lunch and breakfast posted more modest advances, rising 0.7 percent and 0.4 percent, respectively.

Off-premises traffic growth outperformed on-premises traffic in the winter of 1990. Off-premises customer counts were 4.3 percent higher than in winter 1989. Both upscale (up 27.2 percent) and quickservice (up 4.6 percent) restaurants posted healthy gains, which offset a 3.6 percent drop in off-premises traffic at midscale restaurants. In addition, off-premises customer counts grew at all three meal periods; supper showed the largest advance—up 8.9 percent.

On-premises traffic dropped 2.2 percent in the winter quarter. The decline in on-premises counts was most noticeable at upscale establishments—down 5.7 percent. On-premises customer traffic also declined at midscale establishments (down 2.2 percent) and quickservice restaurants (down 1.0 percent). On-premises traffic posted a modest 0.4 percent increase at lunch, but dropped 3.4 percent at supper and 1.7 percent at breakfast.

Supper traffic advanced a robust 2.6 percent from winter 1989 levels—the highest growth of the three major meals.

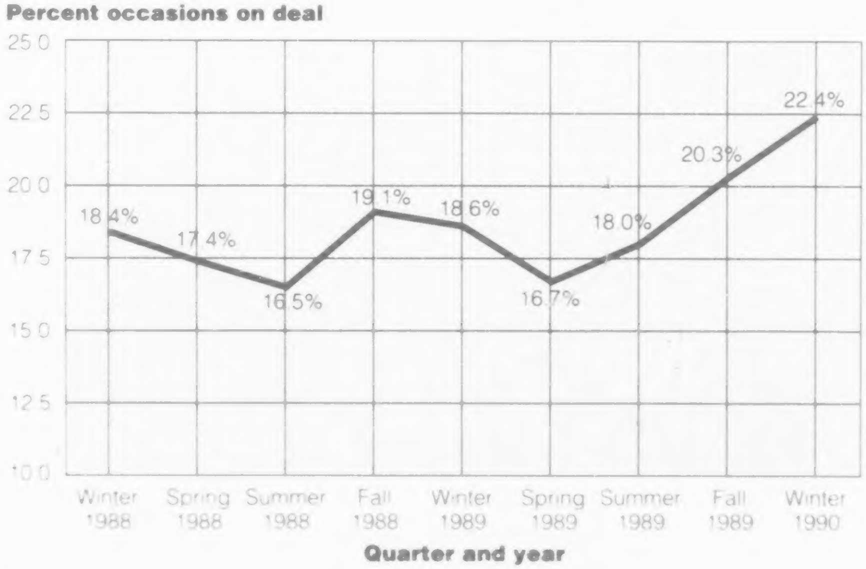
Promotions

Promotion use was higher in the winter of 1990 than during the two previous winters. Deals were used on 22.4 percent of all occasions in the 1990 winter quarter—up substantially from 18.6 percent in the winter quarter of 1989 and 18.4 percent in the winter of 1988. In addition, the proportion of visits on which a deal was used has climbed consistently since the spring quarter of 1989.

The use of deals grew among all three restaurant categories as well as at all three meal periods. Deals were used most frequently

Promotion use at restaurants*

Deal use has increased steadily since the spring quarter of 1989



*expressed as percent of occasions on which a deal was used

Source: *NPD CREST Quarterly Household Reports, Winter 1988-Winter 1990*

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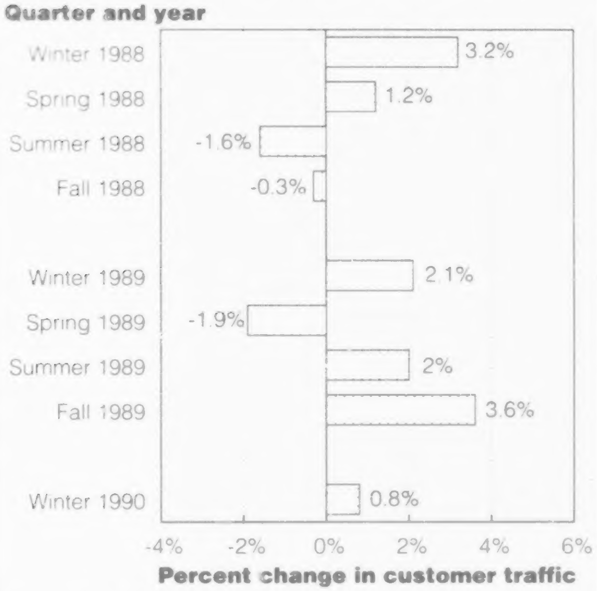
*CREST stands for Consumer Reports on Eating Share Trends, a division of one of the NPD marketing companies.

Change in customer traffic by quarter,* winter 1988 to winter 1990

Customer traffic advanced 0.8 percent in the winter quarter of 1990



*percent change over same quarter, previous year
Source: *NPD CREST Quarterly Household Reports* Winter 1988—Winter 1990

at quickservice restaurants, where they were used on 25.8 percent of occasions. Deals were used on 15.9 percent of midscale restaurant occasions and 14.5 percent of upscale occasions.

Supper was the favored meal period for promotions; deals were used on 28.4 percent of occasions. A promotion was used on 20.3 percent of lunch visits and 18.8 percent of breakfast occasions.

Average check size

The average per-person check size rose 1.3 percent from $3.82 in the winter of 1989 to $3.87 in the winter of 1990. This marks the lowest quarterly increase in per-person check size since the fall quarter of 1987.

The average check at midscale restaurants showed the highest increase, rising 5.8 percent to $4.73 per person. Quickservice restaurants posted a more modest advance in average check size—up 2.5 percent to $2.87 per person. The average per-person bill at upscale restaurants actually declined from winter 1989 levels, falling 2.3 percent from $9.62 per person to $9.40 per person.

Among the three meal periods, breakfast posted the largest gain in average per-person check size, with a 5.4 percent gain to $2.55. The average lunch expenditure advanced 2.0 percent to $3.57 per person. The average per-person supper check declined slightly, dipping from $4.92 per person in the winter 1989 quarter to $4.90 in the winter 1990 quarter.

Nancy Michalski

Spotlight on sandwiches

Sandwiches are an important and popular component of restaurant menus—one-third of all restaurant occasions in 1989 involved a sandwich. Often consumed off premises, sandwiches offer patrons a quick, convenient meal and are popular with children.

No other type of restaurant food is ordered as frequently as sandwiches. In 1989, 33 percent of restaurant occasions involved a sandwich. In addition, sandwiches captured 51 percent of all lunch orders and 30 percent of all dinner orders.

Burgers still at top of sandwich heap

According to CREST, total sandwich eater occasions* have declined in recent years because of a drop in overall hamburger eater occasions. Burger eater occasions declined from 19 percent of all eater occasions in 1984 to 17 percent in 1989, causing overall sandwich eater occasions to drop two percentage points to 33 percent during that five-year period. Sandwiches other than burgers remained virtually unchanged, hovering around 15 percent of all eater occasions during that time.

The burger's share of all sandwich eater occasions has dropped from 56 percent of all sandwich eater occasions in 1987 to 53 percent in 1989. Still, no other type of sandwich approaches the popularity of the burger. The burger's closest competitors, each with a 6 percent share of sandwich orders, were fish/seafood sandwiches, chicken sandwiches, and roast-beef sandwiches, as well as hot dogs and heroes/subs.

Most consumers preferred their burgers plain (53 percent of all burgers ordered). Forty-one percent ordered cheeseburgers, and 6 percent ordered bacon cheeseburgers.

Sandwiches by segment

In 1989 more than eight out of 10 sandwich orders occurred in fast food restaurants, 16 percent in midscale establishments and 4 percent in upscale restaurants, according to CREST data.

Sandwiches captured a large portion of overall restaurant orders, especially at quickservice restaurants, where 38 percent of all quickservice eater occasions involved a sandwich in 1989. Hamburgers were the most popular choice by far. Nearly six in 10 fast food sandwich orders (58 percent) were hamburgers, 8 percent were chicken sandwiches and 7 percent were heroes/subs. Sandwiches were especially popular at fast food barbecue restaurants (42 percent of all orders), fast food, varied-menu establishments (36 percent); ice cream restaurants (23 percent) and chicken restaurants (10 percent).

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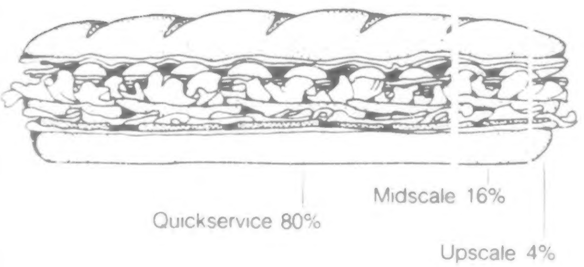
* *An eater occasion is one meal or snack eaten by one person; a restaurant occasion is a transaction that included one or more diners.*

Sandwiches were popular at midscale restaurants, too. In 1989, 21 percent of all midscale orders were sandwiches. However, hamburgers represented a smaller proportion of sandwich orders among midscale restaurants (30 percent) than among the quickservice segment. Miscellaneous hot sandwiches, such as grilled-cheese sandwiches or meatball sandwiches, enjoyed a higher level of popularity among midscale establishments (14 percent of all midscale sandwich orders). Also, hot dogs (7 percent) and heroes/subs (7 percent) were ordered more often than at fast food places. Not surprisingly, 73 percent of orders at midscale sandwich establishments were sandwiches.

Share of total sandwich orders* by type of restaurant



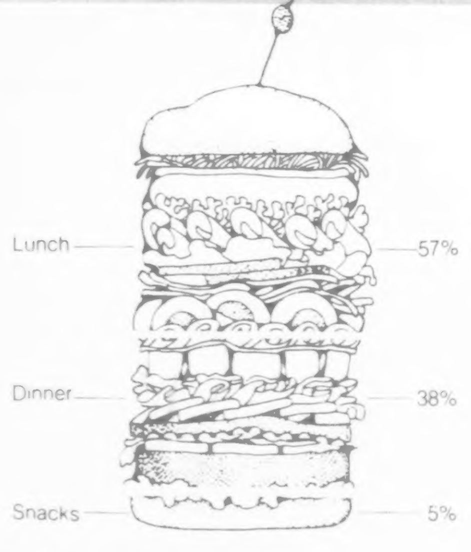
**excluding breakfast sandwiches*
Source: 1989 NPD/CREST Annual Household Report

Barbecue restaurants, varied-menu restaurants and family-style restaurants also saw a high percentage of sandwich orders (each between 20 and 30 percent).

Considering the broad range of menu items offered at upscale restaurants, sandwiches garnered a large proportion of orders (more than 14 percent). Thirty-eight percent of all sandwich orders were burgers. Other popular items were turkey sandwiches, roast-beef sandwiches, steak sandwiches and BLT/club sandwiches. Hamburgers were more popular at moderate-check upscale establishments (40 percent of sandwich orders) than at higher-check operations (24 percent).

At higher-check upscale establishments, BLT/club sandwiches captured more than one out of every 10 orders, and miscellaneous hot sandwiches captured 14 percent of orders. Moderate-check upscale barbecue restaurants (14 percent), steak restaurants (13 percent) and hotel dining rooms (14 percent) had a high percentage of sandwich orders, compared to other types of upscale restaurants.

Share of total sandwich orders* by meal period



**excluding breakfast sandwiches*
Source: 1988 National Restaurant Association/CREST special study

Lunch accounts for majority of orders

Sandwiches were most popular at lunch, according to a special 1988 National Restaurant Association/CREST study. More than half of all sandwich orders (57 percent) occurred at lunch, 38 percent occurred at dinner and the remainder occurred as a snack or at breakfast.

However, certain types of sandwiches were more popular at certain times of the day. For instance, larger burgers were more likely to be ordered at dinner than regular-sized ones were. Heroes/subs, fried-fish and roast-beef sandwiches were also ordered more frequently at dinner. In contrast, ham-and-cheese sandwiches, turkey sandwiches, BLT/club sandwiches and egg/ham/chicken-salad sandwiches were clearly luncheon favorites.

In addition, in 1988, 36 percent of all sandwiches were consumed on Friday and Saturday, 12 percent were eaten on Sunday and 52 percent were eaten on Monday through Thursday. Burgers, chicken sandwiches, heroes/subs and roast-beef sandwiches seemed to follow this consumption pattern, whereas some sandwich items were favored on other days. Hot dogs, a favorite of children, were most popular on Saturday, particularly at lunch. Almost one-quarter of all fried-fish sandwiches were eaten on a Friday.

Traffic gains at sandwich restaurants

Although they sell a smaller proportion of sandwich orders (when compared to quickservice sandwich restaurants), midscale sandwich restaurants have seen healthy traffic gains. Between 1986 and 1989, midscale sandwich restaurant traffic advanced 39 percent, compared to 5 percent for all restaurants. Fast food sandwich restaurants (other than hamburger places) also registered large gains—traffic increased 22 percent during the three-year period.

Although there is still traffic growth at fast food hamburger restaurants, traffic gains have slowed in re-

Sandwich orders by type, 1989

Sandwiches capture a large proportion of eater occasions

Sandwich type	**Percent of orders by type of restaurant:** Quickservice	Midscale	Upscale
Total sandwiches*	**38%**	**21%**	**14%**
All hamburgers/cheeseburgers	22	6	5
Hamburger	12	3	2
Cheeseburger	10	2	2
Bacon cheeseburger	1	1	1
Ham and cheese	1	1	**
Steak	**	1	1
Fish/seafood	2	2	1
Chicken	3	1	1
Turkey	1	1	1
BLT/club	**	1	1
Roast beef	2	1	1
Egg/ham/chicken salad	*	1	**
Hot dog	2	2	**
Hero/sub	3	2	**
All other sandwiches	3	4	3

**may not add due to rounding*
***less than one percent*

Source: NPD/CREST Annual Household Report, 1989

cent years. Still, fast food hamburger restaurants were responsible for a large proportion of overall restaurant traffic in 1989, when 25 percent of all restaurant traffic was in a fast food hamburger restaurants and 4 percent occurred in other types of fast food sandwich restaurants.

Many sandwiches are consumed off premises

Not surprisingly, sandwiches are favored by consumers on the run. In 1988 almost half of all sandwiches (49 percent) were consumed off premises. Although the largest proportion of sandwiches was consumed at home (22 percent), sandwiches were often eaten in the car (11 percent), at work (8 percent) and at other places (8 percent). It's not surprising that sandwiches frequently ordered during the week and at lunch were also consumed more frequently at work than other sandwiches: turkey sandwiches, egg/ham/chicken-salad sandwiches, ham-and-cheese sandwiches, and nonfried seafood sandwiches.

Heroes/subs had the highest percentage of at-home consumption—41 percent—and large burgers were more likely to be eaten at home than regular-sized ones were. Nearly one-quarter of hot dogs (24 percent) were consumed at "other places," and 15 percent were eaten in the car.

Sandwiches popular with kids

Although kids younger than 18 represented 19 percent of traffic in restaurants in 1988, they accounted for 27 percent of hot-dog orders and 25 percent of hamburger orders. Conversely, although hamburgers ranked first with older consumers, mature patrons were more likely to order other kinds of sandwiches. Patrons older than 55 represented 21 percent of restaurant traffic but a smaller 17 percent of hot-dog orders and 15 percent of hamburger/cheeseburger orders, compared to 19 percent for all sandwiches.

Men were slightly more inclined to order sandwiches in restaurants (51 percent) than women were (49 percent). Men ordered hamburgers, cheeseburgers and hot dogs (52 percent) more than women did (48 percent).

Breakfast sandwiches

Although they were consumed on only 2 percent of all eater occasions in 1989, breakfast sandwiches** were ordered on almost one out of every four (23 percent) breakfast eater occasions, making them an important breakfast menu item. Fast food places have popularized breakfast sandwiches. In 1989 breakfast sandwiches were ordered on 3 percent of all fast food eater occasions.

According to a 1988 National Restaurant Association NPD/CREST special study, 37 percent of all breakfast sandwich orders occurred over the weekend. Breakfast sandwiches eaten off premises were most likely to be consumed in the car, perhaps by commuters on the go. Home and work site were other popular locations for off-premises breakfast-sandwich consumption.

Breakfast sandwiches were not popular with teens and young children, but they were popular with patrons 25 and older.

*** Not included in previous discussion or statistics*

Regional favorites

☐ Sauerkraut on submarines is preferred by 36 percent of Midwesterners, 27 percent of Westerners, 7 percent of Northeasterners and 5 percent of Southerners.

☐ Westerners like some sizzle to their deli-meat sandwiches; one-fourth (27 percent) add hot peppers. Forty-four percent top their sandwiches with avocados.

☐ Although alfalfa sprouts came last on the list of toppings in the Northeast and South (10 percent), 37 percent of Westerners surveyed claimed it is their favorite topping.

☐ More than half of all the respondents use Dijon mustard on their pastrami; but Northeasterners add slaw and dill pickles (58 percent), while Southerners pile on mayonnaise and onions (71 percent).

☐ Only Southerners requested sauerkraut on their bologna sandwiches (16 percent), and 28 percent preferred sauerkraut on their salami sandwiches.

☐ Rye was the favorite bread in the Northeast, and ketchup was king among condiments. Almost one-quarter (24 percent) of Northeasterners added ketchup to their ham sandwiches, compared to 21 percent of Midwesterners, 16 percent of Southerners and 9 percent of Westerners.

Source: The National Livestock and Meat Board's "Sandwiches Across America" survey, 1987

Deli-meat sandwiches are popular

According to the National Livestock and Meat Board's 1987 "Sandwiches Across America" survey, 31 percent of U.S. consumers eat deli-meat sandwiches, both at home and away from home, two to three times a week. In fact, 28 percent of 18 to 34-year-old respondents ate deli-meat sandwiches more than five times a week. Ham was the nation's number-one deli-meat sandwich, with the exception of the Northeast, where the BLT ranked as the favorite sandwich. Corned beef captured third place; and pastrami, salami, bologna, submarine (ham, salami and bologna) and liverwurst were ranked fourth through eighth, respectively.

Across the country, wheat and white bread were slice to slice as the preferred sandwich bread, although rye was a close third. Bread preferences change according to the deli meat. White bread was preferred with bologna sandwiches and with BLT sandwiches, but 75 percent of the survey respondents liked rye bread with corned beef.

When it comes to dressing up deli-meat sandwiches, lettuce was first choice across the country. Mayonnaise, cheese and tomato ranked second, third and fourth, respectively. Of course, not all toppings taste good on every sandwich, so the condiment choice varied from sandwich to sandwich, region to region. For example, 91 percent of respondents consumed their ham sandwiches with cheese, whereas a BLT is most often topped only with mayonnaise.

—Elizabeth Gordon

New study on benefits for hourly employees

The new National Restaurant Association ***Survey of Benefits for Hourly Employees in Foodservice*** *contains a variety of useful data on this important topic.*

What is the typical cost of benefits for hourly foodservice employees as a percentage of payroll? Which benefit is most frequently offered to nonexempt employees in a restaurant? What changes in benefit programs are anticipated for hourly foodservice workers over the next two years? Restaurateurs faced with these types of benefit questions will find assistance in a new association study—*Benefits for Hourly Workers in Foodservice.*

Late last year the National Restaurant Association, in conjunction with the national accounting and consulting firm Laventhol & Horwath, conducted a survey on benefits that foodservice employers with estimated annual sales of $1 million or more provide to hourly employees. Results of this study allow restaurateurs to compare their benefit offerings to those of companies that have similar characteristics.

Survey results provide information on the following benefits:

☐ Meals
☐ Uniforms
☐ Time off
☐ Health insurance
☐ Maternity/dependent-care leave
☐ Insurance
☐ Pension/capital-accumulation plans
☐ Bonuses/awards
☐ Educational assistance.

Here are some highlights from several benefit areas covered by the association survey.

Meals

Meals are the most popular benefit provided to hourly employees in foodservice—more than 90 percent of survey respondents offer this perquisite. Among employers providing meals to hourly employees, approximately half offer meals free of charge to preparation and service employees.

In addition, more than one out of three survey participants offer hourly employees a discount for nonwork-related meals.

Vacation leave

Of the various types of leave provided to hourly employees, vacation leave is the most likely to be offered. Ninety percent of respondents reported they provide their hourly employees with paid vacation.

In order to be eligible for paid vacation, hourly employees work a median of 30 hours per week and need a median length of service of one year. Not surprisingly, the amount of vacation leave offered to hourly employees increases with length of service. For example, employees with one year of service are eligible for a median of five days' vacation leave, while employees with three years of service are eligible for a median of 10 paid vacation days. Workers with 10 or more years of service are eligible for 15 paid vacation days.

Health insurance

Medical/surgical coverage is offered to hourly foodservice workers by more than four out of five companies responding to this association survey, with median eligibility requirements of 30 hours worked per week and 13 weeks of service reported. However, it is important to keep in mind that the typical respondent to this survey reported sales of more than $1.5 million, which is nearly three times that of the average eating and drinking place firm.

Prior research conducted by the association shows that more than half of those with sales of less than $500,000—which covers 91 percent of eating and drink-

Profile of contributors

Questionnaires were distributed to a random sample of National Restaurant Association members with estimated annual sales of $1 million or more. Respondents returned 339 questionnaires. These survey respondents represented almost 20,000 units with nearly one million hourly workers and total annual sales of $15.5 billion.

The following is a profile of the typical contributor to the 1989 benefits survey:

☐ Operates one to five establishments
☐ Is a full-menu tableservice operation
☐ Is a private corporation
☐ Operates on a local basis

Cost of hourly benefits as a percentage of hourly payroll*

Total	Cost of benefits as a percentage of payroll
Type of restaurant	
☐ Full-menu tableservice	18%
☐ Limited-menu tableservice	16
☐ Limited-menu, no tableservice	15
☐ Cafeteria	21

*for respondents providing total annual cost of benefits and total annual payroll for hourly employees

Source: National Restaurant Association, *Survey of Benefits for Hourly Employees in Foodservice*—1989, 1990

ing place firms—provide no health insurance for hourly or salaried employees.

Almost three out of four respondents with annual sales between $1 and $1.5 million offer medical/surgical insurance, compared with a higher nine out of 10 respondents with sales of $15 million and more. Of the respondents that offer medical/surgical coverage, 90 percent pay all or part of the individual's premium.

In addition, almost half of the survey participants offer a dental plan to their eligible hourly employees, and two out of three offer a prescription plan.

401(K) plan

Almost one in four respondents reported that they offer their hourly employees a 401(K) plan. Median eligibility requirements for this capital-accumulation plan are 24 hours worked per week and one year of company service.

Of respondents that offer a 401(K) plan, almost two out of three reported a matching company contribution. The median matching company contribution for each dollar an employee contributes is 30 cents.

Educational assistance

Educational assistance for hourly workers is offered by more than one out of three respondents. Eligibility requirements are a median of 26 weeks of service and 30 hours worked per week. Of respondents offering educational assistance, 64 percent reimburse 100 percent of tuition costs.

Other noteworthy benefits

Survey respondents were given the opportunity to indicate any other noteworthy benefits their companies provided voluntarily. Parties, such as a company annual event, were most frequently mentioned, as were other food-related benefits. Financial benefits, such as good-attendance bonuses and sales-based bonuses, were also popular, as were profit-sharing programs, merchandise discounts and trips.

Cost of benefits

Survey respondents were asked to estimate their company's total annual cost of mandated and voluntary benefits for hourly employees. Mandated-benefit costs include Social Security, workers' compensation, unemployment compensation and other expenses.

One helpful financial tool in examining benefit costs is the ratio of the total cost of benefits to the total cost of payroll. For survey respondents providing both benefit and payroll figures for hourly employees, median benefit costs were 18 percent of payroll cost. Foodservice contractor respondents reported a median cost of benefits as a percentage of payroll of 20 percent, while franchise operators posted a lower ratio of 16 percent.

—*Hudson Riehle*

☐ Employs more than 100 hourly workers
☐ Has annual sales of more than $1.5 million

How the benefits are analyzed
Benefits covered by the survey are analyzed by each of the following categories and breakouts:

☐ Type of restaurant
- Full-menu tableservice
- Limited-menu tableservice
- Limited-menu, no tableservice
- Cafeteria

☐ Number of establishments
- 5 or fewer
- 6 to 15
- 16 to 30
- 31 or more

☐ Annual sales volume
- $1,000,000 to $1,499,999
- $1,500,000 to $4,999,999
- $5,000,000 to $14,999,999
- $15,000,000 and more

☐ Number of hourly employees
- Fewer than 100
- 100 to 349
- 350 to 999
- 1,000 or more

☐ Annual payroll for hourly employees
- Less than $500,000
- $500,000 to $1,499,999
- $1,500,000 to $2,499,999
- $2,500,000 and more

☐ Scope of operation
- Local
- One or two states
- Regional
- National
- International

☐ Type of organization
- Foodservice contractor
- Franchise operation

The top five changes in hourly benefit programs

Made in 1989
☐ Changed health-insurance carrier
☐ Increased employee contribution
☐ Added 401(K) plan
☐ Increased eligibility requirements
☐ Increased deductible levels

Planned for next two years
☐ To institute a flexible benefits/cafeteria plan
☐ To add a 401(K) plan
☐ To offer a child-care allowance/referral system
☐ To review health-insurance plan
☐ To increase health-insurance deductible

Source: National Restaurant Association, *Survey of Benefits for Hourly Employees in Foodservice*—1989, 1990

To order the benefits study

Benefits for Hourly Employees in Foodservice (CS215) will be available this month to association members for $35 and to nonmembers for $70 (overseas orders require a 20 percent surcharge). All orders must be prepaid.

Send a check or money order to the National Restaurant Association Publications Department, 1200 Seventeenth St. N.W., Washington DC 20036. For credit-card orders, call the association's information services at 1-800-424-5156 or (202) 331-5960.

The foodservice industry 1988: a brief review

*For the 21st consecutive year, the National Restaurant Association has prepared information on the size and scope of the foodservice industry, including sales, purchases and unit counts for major market segments as well as alcoholic-beverage sales. The figures and analyses reported here provide a summary of the industry's performance during 1988.**

1988 foodservice industry sales topped $214.0 billion, a 7.1 percent increase from the $199.8 billion sales posted in 1987. After adjusting for inflation, sales for foodservice rose 2.8 percent, making 1988 the eighth consecutive year of real sales growth in the foodservice industry. Growth for the industry was below advances in the Gross National Product (GNP), which posted a 4.4 percent rise in 1988.

The proportion of the food dollar spent on food away from home continued to climb in 1988, reaching 42.7 percent—up from 42.1 percent in 1987. The proportion of disposable personal income allocated to meals and snacks prepared away from home experienced a marginal decline, falling from 5.59 percent in 1987 to 5.56 percent in 1988.

The Foodservice Market Measure will return next month in *Restaurants USA* and include monthly data from January–June 1990 without any loss of continuity.

Although foodservice industry sales and the proportion of the food dollar spent on food away from home increased, **menu prices** as measured by the Consumer Price Index (CPI) for food away from home advanced at virtually the same rate in 1988 as in 1987—4.1 percent compared with 4.0 percent.

Commercial Foodservice Group sales grew 7.4 percent from 1987 to reach $189.4 billion in 1988. This advance amounted to $5.4 billion in real (inflation-adjusted) terms and accounted for 95.7 percent of total real growth. Commercial foodservice sales contributed 88.5 percent to total foodservice sales.

In the Commercial Foodservice Group, **eating place sales** accounted for 73.2 percent of sales, posting revenues of $138.7 billion—up 7.5 percent from 1987. After adjusting for inflation, eating-place sales posted a healthy 3.3 percent advance from 1987 and accounted for 75.5 percent of real foodservice industry sales growth in 1988.

Limited-menu (fast food) **restaurants sales** reached $61.3 billion in 1988, an 8.8 percent increase over 1987. Sales at fast food restaurants accounted for 28.6 percent of total industry food and drink sales in 1988, nearly double the figure reached in 1970. In addition, limited-menu restaurants contributed 44.2 percent of eating-place sales.

Foodservice sales at restaurants and lunchrooms totaled $69.6 billion in 1988, a 6.4 percent increase from 1987. After adjusting for inflation, sales at restaurants and lunchrooms grew 2.1 percent, less than the 4.4 percent rise in disposable personal income. Strong growth in consumer expenditures on durable goods (6.2 percent in inflation-adjusted terms) held down sales advances at restaurants.

Passenger and cargo lines recorded the largest increase in foodservice sales among industry segments, growing 15.9 percent. Market expansion with shorter, less expensive cruises as well as increases in berth capacity are likely to keep the cruise-line market growing strong. Other segments that posted double-digit sales growth between 1987 and 1988 include railroads (15.3 percent), gasoline service stations (13.6 percent), in-transit (airline) contractors (12.8 percent), contractors at colleges and universities (11.0 percent) and contractors at manufacturing and industrial plants (10.3 percent).

Institutional foodservice sales climbed 5.0 percent from 1987 to $23.6 billion in 1988. Of the institutional segments, transportation foodservice posted the largest gain, up 11.1 percent. Institutional transportation sales were helped by large sales advances in cruise and cargo lines, railroads and airlines. Sales advances were also recorded in educational and hospital foodservice.

Food and drink sales for the **Military Foodservice Group** increased 3.3 percent to $1.0 billion in 1988. Declines in active-duty troops and in the number of officers were offset by upgraded foodservice facilities and higher-quality offerings.

***The statistical information and analyses for the National Restaurant Association's study on the size and scope of the foodservice industry in 1988 were prepared in consultation with the research firm of Malcolm M. Knapp, Inc.**

To order the report

Members of the National Restaurant Association can get up to five free copies of the detailed report, *Foodservice Industry 1988 in Review*. Each additional copy costs $10. The cost to nonmembers is $20. All orders must be prepaid.

To order, send your request to the association's publications department, 1200 Seventeenth St. N.W., Washington DC 20036.

Credit-card orders are accepted over the phone for orders of $10 or more. Call the association's information services and library between 9 a.m. and 5 p.m. (Eastern Daylight Time) at 1-800-424-5156 or (202) 331-5960.

Estimated food and drink sales and purchases, 1988

# of units	Type of establishment	Estimated food and drink sales (000) 1987	Estimated food and drink sales (000) 1988	Percent gain (loss)	Estimated food and drink purchases (000) 1988
	Group I: Commercial Foodservice[1]				
	Eating places				
130,566[2]	Restaurants, lunchrooms	$ 65,389,229	$ 69,574,140	6.4%	$ 23,816,202
135,227	Limited-menu restaurants	56,359,221	61,318,832	8.8	19,764,285
7,162	Commercial cafeterias	3,738,014	3,951,080	5.7	1,405,323
4,262	Social caterers	1,766,458	1,934,272	9.5	655,283
8,899	Ice cream, frozen custard stands	1,735,592	1,891,795	9.0	533,486
286,116	**Total—Eating places**	**$128,988,514**	**$138,670,119**	**7.5%**	**$46,174,579**
32,308[3]	Bars and taverns	$ 8,771,229	$ 8,929,111	1.8%	$ 414,088[4]
318,424	**Total—Eating and drinking places**	**$137,759,743**	**$147,599,230[5]**	**7.1%**	**$46,588,667**
	Food contractors				
	Manufacturing and industrial plants	$ 3,041,957	$ 3,356,495	10.3%	$ 1,424,698
	Commercial and office buildings	1,063,465	1,134,717	6.7	482,811
	Hospitals and nursing homes	1,348,436	1,436,074	6.5	521,223
	Colleges and universities	2,057,454	2,283,774	11.0	708,152
	Primary and secondary schools	988,436	1,056,638	6.9	433,222
	In-transit foodservice (airlines)	1,067,654	1,204,892	12.8	578,348[6]
	Recreation and sports centers	1,508,072	1,598,556	6.0	503,545
15,739[7]	**Total—Food contractors**	**$ 11,075,474**	**$ 12,071,146**	**9.0%**	**$ 4,651,999**
	Lodging places				
16,338	Hotel restaurants	$ 10,263,299	$ 11,078,650	7.9%	$ 3,443,329
1,807	Motor hotel restaurants	789,780	834,008	5.6	261,777
8,906	Motel restaurants	1,274,954	1,339,977	5.1	438,249
27,051	**Total—Lodging places**	**$ 12,328,033**	**$ 13,252,635**	**7.5%**	**$ 4,143,355**
	Retail hosts				
10,468	Drug and proprietary store restaurants	$ 458,770	$ 466,569	1.7%	$ 162,366
1,562	General merchandise store restaurants	72,303	76,207	5.4	26,063
4,932	Department store restaurants	1,145,379	1,206,265	5.3	419,780
3,651	Variety store restaurants	238,504	238,981	0.2	83,165
4,155	Food stores (except grocery)	204,962	214,390	4.6	64,746
44,244	Grocery store restaurants	3,421,781	3,738,765	9.3	1,233,792
33,132	Gasoline service stations	1,733,264	1,968,988	13.6	649,766
8,525	Misc. retail (liquor, cigar, etc.[8])	552,031	600,058	8.7	189,018
110,669	**Total—Retail hosts**	**$ 7,826,994**	**$ 8,510,223**	**8.7%**	**$ 2,828,696**
	Recreation and sports foodservice				
2,785	Drive-in movies	$ 253,810	$ 263,285	3.7%	$ 76,353
3.814	Bowling lanes	754,238	779,882	3.4	260,480
N/A	Recreation and sports centers	1,204,873	1,324,155	9.9	417,109
6,599	**Total—Recreation and sports foodservice**	**$ 2,212,921**	**$ 2,367,322**	**7.0%**	**$ 753,942**
	All other foodservice				
3,088	Vending and non-store retailers[9]	$ 4,551,070	$ 4,937,911	8.5%	$ 1,491,249
1,646	Mobile caterers	664,722	707,929	6.5	217,334
4,734	**Total—All other foodservice**	**$ 5,215,792**	**$ 5,645,840**	**8.2%**	**$ 1,708,583**
483,216	**Total—Group I**	**$176,418,957**	**$189,446,396**	**7.4%**	**$60,675,242**

Footnotes

1. Data are given only for establishments with payroll.

2. Figures are latest census-area reports or merchandise-line detail counts or updates when reliable data become available.

3. Unit count includes only those establishments serving food; however, sales figure is for all bars and taverns with payroll.

4. Food only. Cost of alcoholic beverages totaled $2,812,670,000.

5. Food and drink sales for nonpayroll establishments totaled $4,021,475,000, with eating places accounting for $2,994,651,000 and drinking places, $1,026,824,000.

6. Food purchases only.

7. Individual businesses, not locations. Contract feeders are included in eating place totals in all Bureau of Census publications although their sales volume figures are significantly understated.

8. Includes SIC 59 except 591 and 596.

9. Includes sales of hot foods, sandwiches, pastries, coffee and other hot beverages.

10. School lunch commodities furnished in the calendar year 1988under Secs. 6, 32 and 416 were worth $791,180,257. In addition, 192,515,366 half-pints of milk worth $18,868,721 were supplied.

11. Total number of colleges and universities that have foodservice whether contracted or not.

12. Represents sales or commercial equivalent to employees.

13. Sales (commercial equivalent) calculated for nursing homes and homes for aged only. All others in the grouping make no charge for food served.

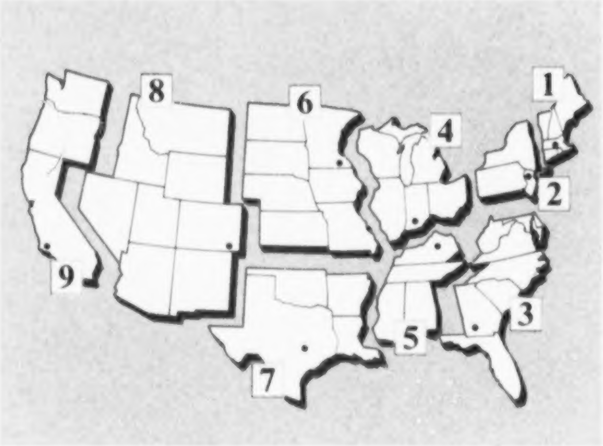
14. All 50 states plus the District of Columbia.

*** These institutions make no charge for food served.

Estimated food and drink sales and purchases, 1988

# of units	Type of establishment	Estimated food and drink sales (000)		Percent gain (loss)	Estimated food and drink purchases (000)
		1987	1988		1988
	Group II: Institutional Foodservice—Business, educational, government or institutional organizations that operate their own foodservice				
	Employee foodservice				
3,309	Industrial and commercial organizations	$ 1,679,601	$ 1,657,766	−1.3%	$ 712,590
353	Seagoing ships (1,000+ tons)	34,920	37,120	6.3	22,272
4,248	Inland waterway vessels	261,751	284,785	8.8	170,871
7,910	**Total—Employee foodservice**	**$ 1,979,272**	**$ 1,979,671**	**0.2%**	**$ 905,733**
	Educational foodservice				
93,009	Public and parochial elementary and secondary schools (91,493) national school-lunch programs[10]	$ 3,189,407	$ 3,346,809	4.9%	$ 3,249,192
1,074	Public colleges and universities[11]	2,268,696	2,377,593	4.8	915,511
1,701	Private colleges and universities[11]	1,083,512	1,158,274	6.9	493,031
2,775	Total college	3,352,208	3,535,867	5.5	1,408,542
95,784	**Total—Educational foodservice**	**$ 6,541,615**	**$ 6,882,676**	**5.2%**	**$ 4,657,734**
	Transportation foodservice				
63	Passenger/cargo liners	$ 250,867	$ 290,754	15.9%	$ 159,915
67	Airlines	579,800	629,663	8.6	313,893
2	Railroads	54,750	63,125	15.3	29,191
132	**Total—Transportation foodservice**	**$ 885,417**	**$ 983,542**	**11.1%**	**$ 502,999**
	Hospital foodservice				
4,032	Voluntary and proprietary hospitals	$ 5,385,630	$ 5,686,630	5.6%	$ 2,274,652
1,501	State and local short-term hospitals[12]	790,594	832,266	5.3	537,857
859	Long-term, general, TB and psychiatric hospitals	854,065	890,425	4.3	356,170
342	Federal hospitals[12]	405,802	416,885	2.7	313,070
6,734	**Total—Hospital foodservice**	**$ 7,436,091**	**$ 7,826,206**	**5.2%**	**$ 3,481,749**
29,169	Nursing homes; homes for the aged, blind, orphans, mentally and physically handicapped[13]	$ 3,224,663	$ 3,402,019	5.5%	$ 2,090,064
	Miscellaneous foodservice				
10,310	Clubs	$ 1,743,019	$ 1,809,254	3.8%	$ 683,368
2,806	Sporting and recreation camps	134,738	146,730	8.9	88,038
15,473	Community centers	487,558	532,901	9.3	628,823
N/A	Convents and seminaries	***	***	***	78,017
28,589	**Total—Miscellaneous foodservice**	**$ 2,365,315**	**$ 2,488,885**	**5.2%**	**$ 1,478,246**
	Penal institutions				
791	Federal and state prisons	***	***	***	$ 569,592
3,338	Jails	***	***	***	439,005
4,129	**Total—Penal institutions**	***	***	***	**$ 1,008,597**
172,447	**Total—Group II**	**$ 22,429,373**	**$ 23,562,999**	**5.0%**	**$14,125,122**
655,663	**Total—Groups I and II**	**$198,848,330**	**$213,009,395**	**7.1%**	**$74,800,364**
	Food furnished to foodservice employees in Groups I and II	***	***	***	$ 4,834,729
655,663	**Total—Groups I, II and FSE**	**$198,848,330**	**$213,009,395**	**7.1%**	**$79,635,093**
	Group III: Military Foodservice				
N/A	Defense personnel	***	***	***	$ 2,088,786
700	Officers' and NCO clubs ("open mess")[14]	$ 633,471	$ 659,443	4.1%	221,936
556	Military exchange foodservice	331,653	337,954	1.9	126,091
1,256	**Total—Group III**	**$ 965,124**	**$ 997,397**	**3.3%**	**$ 2,436,813**
656,919	**GRAND TOTAL**	**$199,813,454**	**$214,006,792**	**7.1%**	**$82,071,906**

Source: National Restaurant Association; Malcolm M. Knapp, Inc.



1 NEW ENGLAND

Location: Springfield, MA
Association member: Jim Scott
Operation: Holiday Inn—Springfield
Profile: Midscale hotel restaurant
In business: 4 years
Seats: 144
Meals served: Breakfast, lunch, dinner

"Business could be a lot better," says interim manager **Jim Scott** of the Holiday Inn in Springfield. The sagging New England economy has hit Massachusetts hard, and most Springfield businesses are feeling it. "Anybody who tells you that business around here is good is lying," says Scott.

Located on a twelfth-floor rooftop overlooking the city, this restaurant in the past has relied on hotel guests for most of its traffic. However, Scott says it has now begun to reach out to locals in an effort to build customer counts. With ads in print and on the radio, the restaurant is trying to accent its appeal as a family-value restaurant. A recent Sunday promotion featured a limited menu for adults and a special menu aimed at children. "It's priced so that a family of five can get out of here for less than 50 bucks," says Scott.

2 MID-ATLANTIC

Location: Little Falls, NJ
Association members: Larry and Lou Coppa
Operation: Pizza 46
Profile: Pizza restaurant and delivery
In business: 4 years
Seats: 40
Meals served: Lunch, dinner

"The place is always packed," says **Larry Coppa,** referring to Pizza 46, which he owns and operates with his twin brother Lou. "We sell about 2,000 pizzas a week." Located in a town of 6,000 people, the restaurant has to compete with national pizza chain units, but Coppa says his pizza and service give people reason to order from Pizza 46. "We use old-fashioned brick ovens and hand-tossed pizza, and we deliver within 30 to 45 minutes," says Coppa. Coppa describes his Little Falls customers as representative of "middle America."

About half of the restaurant's business comes from eat-in customers and about half from delivery. In addition to serving Little Falls, Pizza 46 draws customers from nearby West Paterson.

Pizza 46 distinguishes itself with a number of specialty pies, including Jersey fresh tomato, broccoli and five-cheese pizza. "We started the five-cheese pizza in this area," says Coppa. "In fact, we call our place 'The Home of the Five-Cheese Pizza.' "

3 SOUTH ATLANTIC

Location: Perry, GA
Association member: Keevin Griffin
Operation: Ye Olde Smokehouse Bar-B-Q
Profile: Quickservice drive-thru and catering
In business: 4 years
Seats: Patio seating only
Meals served: Lunch, dinner

The town of Perry is gearing up for the opening of the Georgia state fair in October, a new annual event that may bring Ye Olde Smokehouse a fresh batch of tourist customers. Situated in the middle of the state, Perry has also seen the opening of three large factories that have brought new workers to the region. Owner and operator **Keevin Griffin** relies on word-of-mouth advertising to bring in a steady stream of business.

Tourists provide a big boost in sales during summer months, and Griffin says his family-run business will provide food for a number of company picnics this year. "We do a lot of catering," says Griffin. "That's about 50 percent of our business."

Ye Olde Smokehouse serves traditional barbecued fare, including beef, pork, ribs and chicken. "The sauce," says Griffin, "is cooked from a family recipe that's about 50 years old."

4 EAST NORTH CENTRAL

Location: Evansville, IN
Association member: Chris Howard
Operation: Cork 'N Cleaver
Profile: Upscale steak and seafood restaurant
In business: 15 years
Seats: 96
Meals served: Lunch, dinner

Traffic has been up in recent months at the Cork 'N Cleaver restaurant in Evansville, Indiana. Manager **Chris Howard** says that the restaurant's participation in a dining-club card promotion has boosted customer counts. "Customers buy the card for a flat rate, and then they get a free entree when they purchase one at any of about 15 area restaurants," says Howard. "It's a break-even thing for us in the near term, but it gives us a lot of exposure."

With entrees priced from $10 to $25, the restaurant is upscale, but still value-oriented. "Evansville is a conservative midwestern town of about 200,000. People here are very value-oriented," says Howard. "In fact, many companies use this city as a test market for products they hope to market to middle America."

Howard attributes Cork 'N Cleaver's success to a long history of consistency and prominence in the community. "It seems like everybody in this town got engaged here, had their first date here or came here for the prom," he says.

5 EAST SOUTH CENTRAL

Location: Lexington, KY
Association member: Tom Murphy
Operation: Sigee's restaurant at the Hotel Harley
Profile: Upscale hotel restaurant

In business: 10 years
Seats: 85, plus 50 in lounge
Meals served: Breakfast, lunch, dinner

Lexington is horse country, and July horse sales bring an international clientele to the Hotel Harley and its restaurant, Sigee's. Agents have been known to spend upwards of $10 million in purchasing a single racehorse, according to **Dean Malthouse,** assistant director of food and beverage. A meal at Sigee's is considerably less expensive; entrees are priced in the $13 to $15 range.

Located at the north end of Lexington, near several horse farms, Sigee's was once one of the only hotel dining choices in the area. Recently, however, the field has become crowded. Hotels, fast food restaurants and sit-down dinner houses all compete with Sigee's, which Malthouse describes as a "casually elegant" restaurant. "It's upscale food without the white tablecloth," he says.

In response to the competition, Sigee's was recently remodeled, and promotional efforts have been stepped up, including the canvassing of local businesses for banquet customers.

6 WEST NORTH CENTRAL

Location: Rochester, MN
Association member: Rita Letsos
Operation: Zorba's Greek Restaurant
Profile: Midscale ethnic restaurant
In business: 3 years
Seats: 48
Meals served: Lunch, dinner

Zorba's is still in a transition phase after changing locations last August. "Our new location is a little farther from the Mayo Clinic," says **Rita Letsos,** who owns and operates the authentic Greek restaurant with her Greek husband, Louis. "To get our volume up, I'm going to have to go after the local market more and rely on transient business less."

Although Rochester has a population of only 70,000, it is a highly competitive restaurant town because of the large number of people passing through. "Every week, 5,000 to 6,000 people come through here because of the Mayo Clinic," says Letsos. "I've really noticed the saturation of fast food outlets, and it's affecting our lunch business. It seems like everyone's offering a two-for-one of some kind."

Refusing to enter the discount wars, Letsos is staying profitable by practicing stringent portion control and by promoting Zorba's catering service.

7 WEST SOUTH CENTRAL

Location: Austin, TX
Association member: Mark Nemir
Operation: Martin's Place
Profile: Drive-in restaurant
In business: 65 years
Seats: 125
Meals served: Lunch, dinner

An Austin institution for 65 years, Martin's Place attracts a diverse crowd. "We welcome all kinds," reports manager **Tonda Coleman.**

Martin's Place is an old-fashioned drive-in that still provides curb service to patrons who drive up for a burger, fries and shake. "It's pretty much just like it was in 1926," says Coleman. "Everything here is made from scratch. There aren't any soybeans in these burgers."

College students from the University of Texas provide a solid customer base during the fall and spring. "The students need a place where they can eat fast and cheap," says Coleman. Families predominate in the summer. "Kids love this place," she says.

8 MOUNTAIN

Location: Cheyenne, WY
Association members: Paul Smith, Keith Sperle, Gary Scott
Operation: Hitching Post Restaurants
Profile: Hotel coffeeshop, steak and seafood restaurant, upscale dinnerhouse
In business: 45 years
Total seats: 280
Meals served: Breakfast, lunch, dinner

The restaurants at the Hitching Post Hotel are gearing up for a better-than-usual tourist season this summer, as travelers come to celebrate Wyoming's centennial. **Sean Luebbers,** assistant food and beverage director, says tourists are often surprised when they dine at the upscale Carriage Court restaurant. "Travelers find it amazing that we have such an eclectic menu," says Luebbers. Specialties include numerous veal dishes, lamb and a popular Indonesian rice dish called *nasi gareng*, as well as a 350-item wine list.

Part of a hotel complex that includes three restaurants, Carriage Court and its sister restaurants rely on both tourist traffic and a local clientele attracted by promotions advertised via radio, television and newspaper.

Cheyenne, Wyoming's state capital, is located at the crossroads of Interstates 80 and 25, making it a major stopover point for tourists who visit the nearby parks and the Rocky Mountains.

9 PACIFIC

Location: Hollywood, CA
Association members: Edith Carissimi, Rose M. Keegel
Operation: Musso & Frank Grill
Profile: Upscale restaurant
In business: 71 years
Seats: 285
Meals served: Breakfast, lunch, dinner

In spite of its decaying neighborhood surroundings, the Musso & Frank Grill on Hollywood Boulevard is still doing a good business. Tradition is the key for this landmark restaurant that has served silver-screen stars from Charlie Chaplin to Madonna. Knowledgeable tourists from Japan, Europe and the United States still seek out the Musso & Frank Grill for its quality food, menu and service.

Featured items on the restaurant's continental menu include homemade chicken pot pie and the "flannel cake," a signature breakfast item that is "thin like a piece of flannel" and served three deep with melted butter and syrup.

Owners **Edith Carissimi** and **Rose M. Keegel** are descendants of the restaurant's founders, who started the historic Hollywood operation before motion picture "talkies" were developed.

—Paul Moomau

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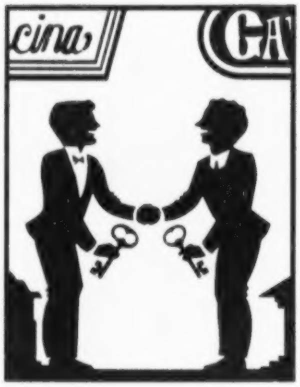


Two Washington DC restaurants found a novel way to solve their space problems—switching locations. Galileo, an upscale Italian restaurant, was doing a booming business at its old location—too booming, in fact. It had so many customers waiting for its 50 seats that sometimes people were seated in the kitchen.

The midscale Italian eatery, Mondo Cucina, on the other hand, didn't need all of its 80 seats. It did, however, want a more competitive location. After comparing notes, the owners decided to swap addresses. It's still unclear whether customers will make the switch, too.

—The Washington Times

Coin-operated pizzeria

A new player has come to the front lines of the pizza wars. Edible Technology, Inc. of Sunnyvale, California, manufactures "Anytime Pizza," an automated pizza maker that can be placed in movie theaters, convenience stores or anywhere vending machines might go. The customer simply pushes a button and the machine cranks out a crust, squirts on sauce, adds the chosen toppings and bakes the pizza.

Judging from the attention it got at this year's Show, the Anytime Pizza also has entertainment value. Attendees crowded around the machine, which made its debut on the Show floor, and peered through the glass panel to watch the pizzas in the making.

—Entrepreneur

A striking combination

In Arcola, Illinois, a town of 3,000, you can see bowling shirts and three-piece suits at the local bowling alley. That's because the bowling alley doubles as a gourmet dining spot, called the French Embassy.

Owner and chef Jean-Louis Lendent, a native of Belgium, bought the restaurant/bowling alley last year and introduced his French recipes. Although it took some time for townspeople to catch on to the idea of ordering *saute de porc au vin de Bordeaux* while at the lanes, the restaurant has gained a following among nonbowlers looking for an adventure in French cuisine. To keep everyone happy, Lendent hired cooks for an American-style snackbar adjacent to the alleys. But he notes that more and more bowlers are stopping to try the French offerings after their games.

—Chicago Tribune

Videos nab drunk drivers

Police in several U.S. towns are videotaping suspected drunk drivers—and are getting high conviction rates as a result. The program, which is cosponsored by the Aetna insurance company and Mothers Against Drunk Driving (MADD), places video cameras on the dashboards of cruisers. Patrol officers who witness suspicious driving behavior can simply switch on the cameras and record the evidence. They are also filming field sobriety tests. Police say that when defense attorneys are shown the tapes, they advise their clients to plead guilty.

A recent decision by the U.S. Supreme Court upholding the use of video cameras during routine questioning has strengthened this new police tactic.

Whether this new method of collecting evidence to convict drunk drivers will affect the restaurant industry remains to be seen, but one scenario could include police officers videotaping drivers after they have left a restaurant or bar, which could increase liability concerns.

—The Washington Times

It oughta be a law

Restaurateurs frustrated by the lack of recourse in dealing with no-shows have fantasized about taking the offenders to court. It may not be as far-fetched a notion as some might think. In fact, a restaurateur in London sued a group that failed to honor its reservation and won the case. The solution, albeit a bit drastic, just might work in this country, says Jon P. McConnell, professor of accounting and business law at Washington State University-Pullman.

McConnell says the reservation to dine possesses all of the traits that make up a legal contract, including offer, acceptance and consideration. McConnell claims that customers can be held accountable for any losses sustained due to their nonappearance—for example, the costs of turning away other parties while holding a table or for throwing away excess food ordered for a large party that doesn't show.

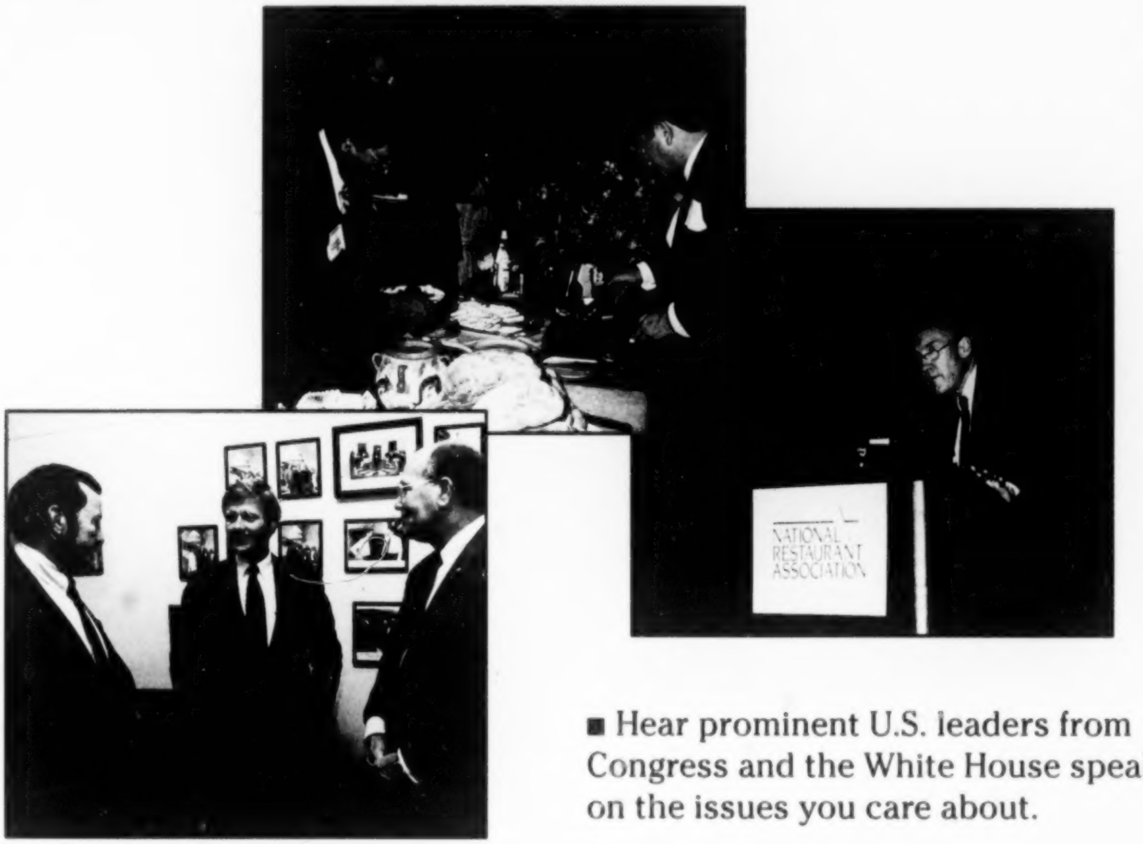
McConnell argues that although restaurants would very likely be successful in recovering damages, taking legal recourse is expensive and time-consuming. He recommends taking no-shows to court only in the case of a heavy loss.

—Cornell H.R.A. Quarterly

Put Politics on Your Menu

Attend the association's Public Affairs Conference

September 24–26, 1990



- Hear prominent U.S. leaders from Congress and the White House speak on the issues you care about.
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- Meet hundreds of U.S. Congressmen and Congresswomen at *Chef d'oeuvre,* the National Restaurant Association's annual gala reception.

For more information, contact the association's government affairs department at 800-424-5156 or 202-331-5900.

PECIALTY ADVERTISING ■ BUILDING AN IMAGE ■ FOCUS GROUPS

THE MONTHLY MAGAZINE OF THE NATIONAL RESTAURANT ASSOCIATION VOL. 10 NO. 7 AUGUST 1990

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RESTAURANTS USA

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AP200-1

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BUYING A SHARE OF MIND

PRESIDENT'S REPORT

Michael E. Hurst, owner
15th Street Fisheries, Ft. Lauderdale, Fl.

ADA becomes law

The Americans with Disabilities Act (ADA) was signed into law by President Bush on July 26. The National Restaurant Association pursued revisions in this bill, some of which were passed, others of which were not. Thanks to all who called and wrote their legislators about amendments to ADA; it was an unparalleled grassroots effort.

Although foodservice operators are not satisfied with certain details of the law, we, like the majority of Americans, endorse the principle of equal rights for disabled persons.

On January 8, 1991, the National Restaurant Association will hold a one-day symposium in Washington DC to begin to teach association members how to comply with the specifics of ADA. More information on this important symposium will be available later.

Congress should reexamine child-labor laws

In the recent crackdown by the Department of Labor on violators of child-labor laws, 7,000 alleged violations were uncovered, among them some by foodservice operators. Lawmakers are reacting by considering an increase in civil and criminal penalties for violators and a further limit to the hours 16 and 17-year-olds are permitted to work.

We believe the government needs to strike a balance between ensuring that teens work in a safe and healthy environment and giving them the chance to learn, earn and grow in the workplace. We are actively involved in fighting for this balance.

Association representatives are calling upon Congress to reexamine the laws, many of which date back 50 years and are inappropriate today. They are also asking Congress to improve efforts to educate businesses, especially small businesses, about the requirements.

Correcting minimum-wage oversight

When Congress passed the minimum-wage bill last year, it inadvertently deleted an important section, with the result that an exemption for all businesses grossing less than $500,000 was rendered virtually useless. Support is now growing rapidly in Congress for a correction to this oversight.

Three key legislators, Sen. Dale Bumpers (D-AK), Rep. Austin Murphy (D-PA) and Rep. Steve Bartlett (R-TX), have agreed to take the lead in sponsoring legislation that would correct the bill passed last year. They and fellow cosponsors are hoping to persuade Congress to pass legislation by October to restore the exemption.

Association works to repeal FICA tax

Since January 1, 1988, foodservice operators have been required to pay the employee's share of Social Security (FICA) taxes on all tips their employees report. The association believes this requirement is unfair because it amounts to a payroll tax on nonpayroll income.

Association representatives are working hard to find support for H.R. 446, a bill to repeal the tax. The association is continuing to bring members to Washington DC to urge their congressional representatives to cosponsor the bill. Just in the last month, 20 more legislators signed on, bringing the number of cosponsors to 126. To secure the necessary majority, 218 cosponsors are needed.

"We're glad you're here!" campaign is back

I'm excited about the return of the "We're glad you're here!" campaign. Our industry needs to refocus its attention on our customers and to remind people that dining out is a pleasure as well as a convenience.

Brochures have just been mailed to you, describing items for sale—posters, balloons, placemats, etc. They all bear the slogan "We're glad you're here!" The brochure describes how you can use the items for display or in connection with event promotions. I hope you'll make use of the items and the ideas to let your customers know "We're glad you're here!"*

If you think your employees need some training in hospitality skills before you begin the campaign, a new 16-page booklet, *Courtesy Checklist* (MG 515), available for $1.99, can help. In addition, the educational foundation offers training materials on good service.

Benefits for hourly employees

How do your benefits for hourly employees compare to those offered by others in the industry? Find out by sending for the new book, *The National Restaurant Association's Survey of Benefits for Hourly Employees in Foodservice*. The survey polled a random sampling of association members with sales of $1,000,000 or more.

Free or discounted meals, paid vacation leave and medical/surgical coverage top the list of benefits offered to hourly employees by the respondents.

Cost of the book, including postage and handling, is $35 for members, $70 for nonmembers. To obtain a copy, write the association's publications department or call 1-800-424-5156.

"Politics on Your Menu" in September

We know what Congress is thinking about. Now it's time to let Congress know what you are thinking. Come to the National Restaurant Association's Public Affairs Conference, "Politics on Your Menu," September 24-26, 1990, at the Capital Hilton Hotel in Washington DC, and tell your representatives how their actions will affect your business.

At the same time learn how laws are made, meet your representatives face to face and socialize with them and hundreds of other members of Congress at the elegant *Chef d'oeuvre* reception.*

Educational foundation announces scholarships

One of the goals of our educational foundation is to further the education of foodservice managers. This fall, for the first time, the foundation will award scholarships, valued at $750 each, to qualified individuals participating in its management development program through independent study or through school programs. Each time a scholarship is awarded, the foundation will also donate $150 to the recipient's hospitality-school program. For information, call the educational foundation at 1-800-522-7578.

Welcome new members

During the past month 48 new members joined the National Restaurant Association. We welcome you. Your participation in the association will make your business grow and make our association function more effectively on your behalf.

Sincerely,

Michael E. Hurst

Michael E. Hurst
President and Chairman of the Board

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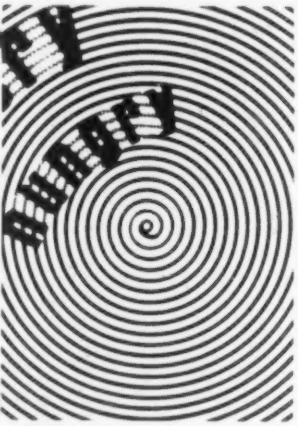
*For more information about association programs and services, call the National Restaurant Association at 1-800-424-5156 or (202) 331-5900.

RESTAURANTS USA

COVER STORY: ADVERTISING: "BUYING A SHARE OF MIND"

As competition within the foodservice industry continues to grow, restaurateurs must struggle all the more to make customers—old and new—stand up, take notice and act. Every establishment, whether a small independent restaurant or a worldwide chain, must have a strong marketing plan. This issue of ***Restaurants USA*** spotlights a myriad of advertising issues and options and provides some valuable pointers to help you capture that elusive "share of mind."



SPECIALS

14 Building an image with advertising
Despite the emphasis today on short-term, one-shot advertising gimmicks, building an image over time with a long-range scheme may just be your ticket to advertising success.

17 Where to advertise
In today's high-visibility, high-tech atmosphere there are numerous options available to showcase your establishment—from prime-time TV commercials to hand-printed flyers. Here are some guidelines for the advertising shopper.

18 Before you go to print . . .
By far the most common avenue for restaurant advertisers is the printed page, be it in newspapers, in magazines or on billboards. In such a well-used medium, you must do as much as possible to use your space effectively and make your ad, no matter how small, rise above the rest. Here are some points to consider . . . before you go to print.

22 Enhancing your image with specialty advertising
Specialty items—from matchbooks to baseball caps—can serve as constant reminders to customers, providing the extra boost that your marketing campaign may need.

24 Picture-perfect food
If photo food looks good enough to eat, chances are it isn't. It's the work of a food stylist, the magician behind the camera who turns everyday edibles into "picture-perfect food."

26 The case for market research
To launch a successful advertising campaign, you must first make a careful study of the audience you hope to win over. Market research can help you uncover not only who your customers are but also what they like—and what they don't.

NATHAN
(202) 338-2000

JULIAN'
★★★★
Restaurant Francais
Nashville, Tennessee 327-2412

28 Help restaurant shoppers find you
The most creative, engaging advertising plan will fall completely flat if the interested customer cannot locate your establishment.

31 Focus groups: Finding out why customers act the way they do
The focus group—an important component of market research—lets you inside the minds you seek to capture to learn firsthand what works for them at your restaurant and what doesn't.

Cover photo by Gary Landsman

DEPARTMENTS

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- ☐ New edition of solid-waste booklet
- ☐ A "get-up-and-go" children's incentive
- ☐ Pizza Hut tests make-your-own video booth
- ☐ Association offers major medical plan
- ☐ Burger King sponsors chicken-clucking contest
- ☐ Top culinary books of 1989

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- ☐ Operators discuss regional business trends

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A "get-up-and-go" incentive

In order to encourage kids to get out and do things this summer, Ivar's restaurants and seafood bars are packing children's meals with a "Summer of Fun" coupon book that offers special discounts on a variety of attractions in the Seattle area.

Coupon participants include museums, the aquarium, the zoo and Toys R Us.

Summer of Fun

Ivar's, a Seattle-based company with three restaurants and 28 seafood bars, is offering the coupon book through Labor Day as a special "prize" in its Little Dippers Kids Meal.

Pizza Hut tests video booth

In a new twist on an old idea, this summer four Southern California Pizza Hut Restaurants are test-marketing a photo booth revamped for the video age. Sports-team customers—from Little League players to adult enthusiasts—can preserve their game highlights, moments of greatness and bloopers on videotape. Patrons can also send their own videotaped messages for any special occasion, including a birthday, anniversary, engagement or wedding. The cost of recording sports highlights is $10 per team. Video greetings are $10 for a 10-minute message. The booths are manufactured by Short Takes Inc., Minneapolis.

Association offers major medical plan

Standard hospitalization coverage is usually not enough for a lengthy hospital stay or extensive rehabilitation therapy after leaving the hospital. That's where the National Restaurant Association Major Medical Insurance Plan comes in—with up to $1 million in comprehensive lifetime benefits.

The plan is available to all members of the National Restaurant Association and their key employees under age 65 who are working at least 30 hours a week. Coverage for spouses and unmarried dependent children up to 19 years old (age 23 if a full-time student) is also available. Quarterly premiums are based on the deductible chosen—$300, $500 or $1,000. The higher the deductible, the lower the quarterly premiums.

Once the deductible has been paid, the plan pays 80 percent of all covered expenses for the rest of the year. When covered out-of-pocket expenses reach $1,000, the plan pays 100 percent of all eligible expenses the rest of the year.

For more information about the plan, contact the association's insurance administrator: Albert H. Wohlers & Co., 1440 N. Northwest Highway, Park Ridge, IL, 60068-1400. Or call toll-free: 1-800-323-2106. In Illinois: 1-708-803-3100.

New edition of solid-waste booklet

Because the National Restaurant Association's booklet, *Managing Solid Waste: Answers for the Foodservice Operator*, sold out, the association has published an updated version of the first edition, which includes additional sections on direct operator involvement and what to expect from legislation.

Cost is $9 for members, $14 for nonmembers. To order, please send a check to the association's publications department and specify publication #PB527. Credit-card orders of $10 or more may be placed by phone (800-424-5156).

Top culinary books of 1989

A jury of 36 top food and beverage writers, editors and cooking authorities selected the winners of the IACP/Seagram Food & Beverage Book Awards. The competition was conducted by the International Association of Culinary Professionals (IACP) and was sponsored by Joseph E. Seagram & Sons, Inc.

Named "Best of the Year" and the winner in the "International" category was *The Foods of Vietnam*, written by Nicole Routhier

The Foods of Vietnam
VIETNAM

STIR-FRIED CELLOPHANE NOODLES WITH CRABMEAT

Serves 4

Ingredients:

4 ozs. cellophane (bean thread noodles)
3 Tbs. vegetable oil
4 shallots, thinly sliced
4 garlic cloves, chopped
8 ozs. lump crabmeat, picked over
½ cup plus 2 Tbs. chicken broth
1 Tbs. *nuoc mam* (Vietnamese fish sauce)
2 scallions, thinly sliced
1 Tbs. shredded coriander
Freshly ground black pepper

Method:

Soak the cellophane noodles in warm water for 30 minutes. Drain and cut into 3-inch lengths.

Heat the oil in a wok or skillet over high heat. Add the shallots and garlic and saute until the edges begin to brown.

Add the crabmeat and stir-fry for 30 seconds. Add the cellophane noodles; stir-fry for 1 minute, or until the noodles are heated through. Stir in the chicken broth and fish sauce and toss to combine. Cook until the noodles absorb most of the liquid. Add the scallions and remove from the heat.

Transfer to a serving platter. Garnish with the coriander and sprinkle with black pepper. Serve immediately.

—The Foods of Vietnam

Burger King sponsors chicken-clucking contest

BURGER KING
"WE GIVE CHICKEN LOVER A CHOICE"

***A chorus of clucks.* Greenbelt, Maryland, resident Brian Connelly struts his way to a second-place finish at the Burger King National Chicken-Clucking Contest in Baltimore, Maryland. The event, which drew hundreds of cluckers, spectators and an assortment of six-foot costumed chickens, was part of a new promotion highlighting four Burger King chicken menu items.**

and published by Stewart, Tabori & Chang, Inc.

Other winning books were:

☐ **Best General Basic**
La Varenne Pratique,
Anne Willan, Crown

☐ **American Regional**
Cooking from Quilt Country,
Marcia Adams, Harper & Row

☐ **European**
Bistro Cooking,
Patricia Wells,
Workman Publishing

☐ **Entertaining**
Crabtree & Evelyn Cookbook,
Crabtree & Evelyn, Ltd.
Stewart, Tabori & Chang, Inc.

☐ **Single Subject**
Seafood,
Alan Davidson,
Simon & Schuster

☐ **Special Methods**
Microwave Gourmet Healthstyle Cookbook,
Barbara Kafka,
William Morrow & Co., Inc.

☐ **Wines & Spirits**
Vintage: The Story of Wine,
Hugh Johnson,
Simon & Schuster

☐ **Healthy & Light**
The Gourmet Gazelle Cookbook, Ellen Brown, Bantam Books

☐ **Fruits, Vegetables, Herbs & Spices**
Cooking with Herbs,
Emilie Tolley & Chris Mead,
Clarkson N. Potter Publishing

☐ **Writings**
The Essential Cook,
Charles Delmar,
Hill House

☐ **Special Diets**
The American Heart Association Low-Fat, Low-Cholesterol Cookbook,
Scott Grundy, M.D., Ph.D.,
Times Publishing

☐ **Baking & Desserts**
A Passion for Chocolate,
Maurice & Jean-Jacques Bernachon, translated by Rose Levy Beranbaum,
William Morrow & Co., Inc.

Employment of minors

Dear Editor:
To amplify Michael Magnus's article on the employment of minors, which appeared in the June/July issue of ***Restaurants USA,*** all employers are subject to the child-labor laws of the states in which they operate. However, employers with gross annual sales of at least $362,500 are also subject to the federal child-labor regulations. In that connection, it is important to note that if a state child-labor law or regulation is different than the comparable federal child-labor regulation, the law or regulation more favorable to the employee must be followed. For example, during the school year, 14 and 15-year-olds may not work before 7 a.m. nor after 7 p.m. under federal regulation. If a state law or regulation provides that individuals under the age of 16 may not work between 9:30 p.m. and 5 a.m., the more favorable federal law would apply to employers covered by federal law.

**—Dick Johnson,
General Counsel,
National Restaurant Association,
Washington DC**

A closer look at outside "interests"

The work application is an underrated document. Neither the applicant nor the interviewer fully realizes the depth of information contained on the application. Take that seemingly pointless category, "Hobbies and Outside Interests." Most people look at this information only to see if they and the applicant share any interests. This mistake can cost a company some very good employees.

Let's assume the applicant has written in this section, "reading, bike riding, tennis." Here are some questions to consider:

Reading: What do you read? How often do you read? Do you have a favorite author? Why? What subjects do you prefer to read about?

Bike riding: When do you ride? Where do you ride? Why? Have you ever tried competitions? Do you like to ride alone? What's the greatest distance you have ridden at one time?

Tennis: Where do you play? How often? How many of your friends play tennis? Do you or would you like to compete? Do you follow the sport on TV?

These questions may seem very time-consuming. However, what the interviewer can learn is worth the time. For example, one can uncover an applicant's stamina, energy and drive. One can determine whether the applicant is a participant or a spectator, a group player or a loner, a self-motivator or an emulator. And one can discover whether the interests of today are the plans for tomorrow.

What an interviewer focuses on depends on the company's needs. For example, if the position requires a good bit of paperwork, by all means consider the reader. If the position involves people contact, take a more serious look at applicants who thrive on competition and group activities.

In conclusion, experience is not the only indicator of job compatability.

**—Thomas G. Cox,
American Resume Service,
Phoenix, Arizona**

States have great success with grassroots lobbying days

Personal contact between restaurateurs and state legislators is an excellent way to introduce lawmakers to the industry's needs. In several states, the state restaurant associations have organized a grassroots lobbying day, bringing association members to the state capitol to meet face to face with elected officials.

Chapter President Bob Farrar (left) and Fresno Chapter members discuss "Issues of the '90s" during California Restaurant Association's Lobby Day on April 17.

Louisiana program is year's top legislative social activity

Jim Funk, executive vice president of the Louisiana Restaurant Association, has been organizing such a program since 1982. He says his members enjoy it and that the industry benefits. "We haven't lost any major bills in eight years. The legislators are very sensitive to the needs of the restaurant industry. They recognize our economic importance," Funk says.

The day-long program, held on the second Monday in May, begins in the morning with a legislative briefing where Funk updates participants on current issues. Following a luncheon speaker, usually a prominent member of the state legislature, a bus carries everyone to the Capitol. "All participants wear name tags, which identify them as part of the restaurant industry; and they talk to their legislators," he says.

In the evening, the association hosts a "Taste of Louisiana" reception for all members, legislators and legislative staff members. Funk says the party usually attracts 400 to 500 people each year and is considered the "top legislative social activity of the year."

The Massachusetts, Minnesota and California Restaurant Associations all hosted their second annual grassroots day this spring.

Massachusetts event represents entire state

The Massachusetts "State House Day" began with breakfast, followed by an orientation session in the State House chamber. Massachusetts Restaurant Association (MRA) Executive Vice President Peter Christie says the restaurateurs were one of a few groups allowed to meet in the legislative meeting rooms. After hearing speeches by the house clerk and several legislators, participants were given issue briefs and biographical information and sent to appointments with their representatives.

Following a debriefing session, the association hosted "the nicest reception in the state house all year. All MRA members and Massachusetts legislators were invited," says Christie. He adds that this year MRA used a small gift to entice legislators to the reception, an idea similar to the National Restaurant Association's tradition of sending members of the U.S. Congress partial gifts to attract them to the annual *Chef d'oeuvre* reception, where they receive the other portion.

"The whole program improves visibility in the state house exponentially. Many of the people lobbied aren't even aware of existing laws. Often they turn around and give you support right there," Christie says.

At the end of the day, participants were asked to fill out a questionnaire about their legislators' reactions. The association staff plans to use the questionnaires to rally support for bills. "We can go to them and say, 'Remember when you told our member that you would support us on this issue?' " Christie explains.

This second conference attracted more than 100 restaurateurs, a 25 percent improvement over last year's attendance. Christie says the entire state was represented, with at least one representative from every county. To encourage participation, the association sponsored buses that

Maryland cosponsors "Lunch on the Run"

Effective state grassroots programs can involve any variety of activities that introduce legislators to the restaurant industry's needs. The Restaurant Association of Maryland hosts a dinner during the first week of Maryland's legislative session for members and legislators and invites legislators to chapter and full association dinner meetings.

"We try to always keep the industry in front of the legislature," Restaurant Association of Maryland Executive Director Marcia Harris says. "We try to visit before there's a hot issue. That way, when we do have to rattle a cage, the legislator says, 'Yes, I know you're concerned about this;

brought members from the western end of the state and from the Cape Cod area to the Capitol.

Minnesota event opens lines of communication

In Minnesota, "Hospitality Day at the Capitol" began early with a continental breakfast and briefing session on key state legislative issues. The rest of the morning and afternoon were devoted to meetings with elected officials.

"We want to get industry people more clearly involved in the legislative process. We want to get them physically there to the Capitol in Minneapolis to meet one-on-one with legislators," Minnesota Restaurant Association Executive Vice President Arnold Hewes explains.

He says he began the Minnesota program after attending the National Restaurant Association's Public Affairs Conference. "We were stimulated by the success of the National Restaurant Association's conference. We've patterned our day after that event," Hewes says.

He believes the program has been very successful. "We've opened lines of communication with legislators, even some who weren't very receptive to us. Last year, we got the discussion going about minimum wage and tip credit, and it has carried into this year."

"We'll continue doing this," Hewes promises. "We hope to keep growing and adding on to our program, getting bigger and more professional each year."

Participants in Minnesota's "Hospitality Day at the Capitol" met one-on-one with legislators.

California's Lobby Day is timely

The purpose behind the California Restaurant Association's (CRA's) Lobby Day is always twofold, says Michele Egan, government affairs assistant. "We want to get our members used to coming up here [to Sacramento] and talking to their legislators, and we want the legislators to see we are a group. They see our lobbyist, but now they can see actual constituents."

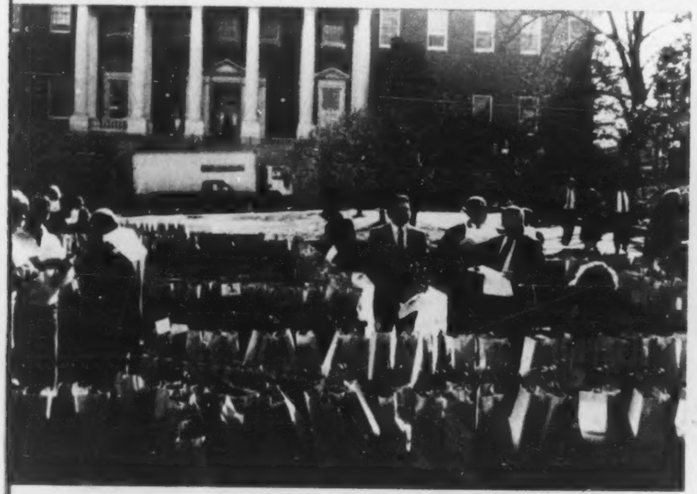
After a morning meeting, CRA sets up headquarters in a hotel directly across the street from the state house. Throughout the day of legislative visits, director of government affairs and general counsel Jo-Linda Thompson and the association's contract lobbyist are available to answer any questions participants may have, and they obtain feedback on the meetings.

This year, for the first time, the California Restaurant Association hired a public relations firm to help train interested restaurateurs to talk to the media.

According to the California Restaurant Association, "Lobby Day" is especially effective now because changes in the California campaign laws have placed ceilings on campaign donations. "Now, all PACs (Political Action Committees) are created equal. We have to depend on our members to lobby and rely on our grassroots efforts," Egan explains.

Egan says the day has been a success—participation has grown from 100 to 150 members. "It helps that more and more people are aware of the political process," she says.

—Linda Way



we've been talking about it together for some time.' "

One particular project that brought Maryland restaurant operators into the political limelight was called "Lunch on the Run." Through a partnership with the American Heart Association, restaurateurs set out to prove that restaurant meals are heart-healthy without restrictive ingredient or labeling laws, by delivering a healthy lunch to each legislator.

"All the food was prepared from recipes from the heart association's cookbook, and it was really good. We got tons of compliments and thank-yous," says "Lunch on the Run" Chairperson Frances George, who is corporate vice president of Haussner's Restaurant in Baltimore.

Volunteers from each county delivered the meals to their elected representatives, in some cases staying to eat with them. Invitations, including a special "Lunch on the Run" bib, were sent in advance.

"We had a ball. We had no idea it would turn out as well as it did," notes George. "All the television stations and newspapers were there, and the legislators were smiling for the camera with their constituents."

The day had two purposes, George explains: to teach legislators "please don't try to mandate healthy eating habits" and to demonstrate that offering healthy choices on menus means avoiding costly laws.

Restaurateurs run for Congress

As Election Day, November 6, 1990, approaches, foodservice operators Jim Keet, Bill Zeliff and Greg Jolivette are waging battles for seats in the 102nd U.S. House of Representatives, pledging to make small-business concerns a top priority on Capitol Hill.

Jim Keet

Republican nominee,
Arkansas 2nd district

"The restaurant business has been very good to me and my family, but it's time to extend our service to a different plateau," says Jim Keet, 41, who has been immersed in all facets of the foodservice industry for the past 20 years.

Keet worked his way through Southern Methodist University washing dishes, cooking and bartending for Steak & Ale. After graduating with a finance degree in 1971, he joined Holiday Inn as a food and beverage manager trainee and climbed the corporate ladder in just one-and-a-half years to become one of the youngest innkeepers in the United States.

Keet left Holiday Inn in 1975 to start up a single-unit Wendy's franchise. By the time he sold his interest in the company in November 1986, he had helped expand the business to 27 quickservice family restaurants across Arkansas and Texas, employing more than 1,200 people. He is currently chairman of the board of Maxie's of America, a 13-unit drive-thru operation based in Tallahassee, Florida. It employs more than 400 people.

"Having to deal with the bureaucratic maze was one of my prime motivations to run—first for the state legislature and then for Congress," says Keet, who was elected to the Arkansas House of Representatives in 1988. During his tenure, he worked diligently to protect small business from government mandates while continuing his foodservice career. Now Keet wants to take the House seat of departing Rep. Tommy Robinson (R) and make public service his full-time job.

"My business experience makes me that much more resolute to provide an economic environment that produces good jobs," Keet says.

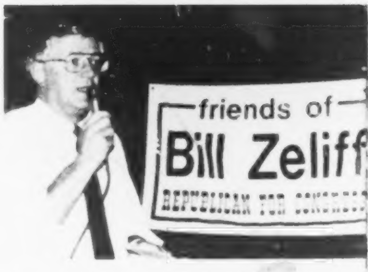
Bill Zeliff

Republican candidate,
New Hampshire
1st district

In 1976 Bill Zeliff left a 17-year career as a DuPont marketing executive to buy the Christmas Farm Inn in Jackson, New Hampshire. Now he oversees all operations of the inn and Yesterdays, a breakfast-and-lunch restaurant acquired in 1982. Zeliff employs 44 of Jackson's 642 residents.

After several years of participating in community and political organizations, including work as past president of the New Hampshire Hospitality Association and as a member of private industry councils that manage federal job-training funds, the 54-year-old Zeliff decided to run for Congress this year.

His affiliation with the Republican party began in 1982, when Zeliff's community projects introduced him to ex-New Hampshire governor and current White House Chief of Staff John Sununu. Sununu encouraged Zeliff to get active in the state Republican party. Having campaigned successfully for Governor Judd Gregg and President George Bush in 1988, Zeliff last year decided to take his commitment one step further and campaign for himself in 1990.



Far from losing touch with his businesses while campaigning, Zeliff reports that his company is enjoying "the best year we've had yet. Because I'm so busy on the campaign, I'm more focused in setting goals and delegating authority."

Zeliff hopes to take the

DC ROUNDUP

☐ *Attention turns to federal agencies after Congress passes ADA.* Landmark legislation prohibiting employers and public accommodations from discriminating against Americans with disabilities cleared Congress by wide margins in mid-July and was signed by President Bush on July 26.

Business and other groups affected by the Americans with Disabilities Act (ADA) now turn their attention to the Equal Employment Opportunity Commission and the Justice Department, the two agencies charged with drafting regulations to explain the law during the next year.

The law's employment provisions will not take effect for most businesses until the summer of 1992. Provisions requiring public places to be accessible to people with disabilities go into effect in January 1992, although the law allows a slightly longer phase-in period for small businesses.

☐ *Chapman language dropped.* A hard-fought National Restaurant Association push to get Congress to include a clause in ADA that would allow employers to transfer workers with communicable and infectious diseases out of foodhandling positions met with defeat.

Although ADA will permit employers to keep workers out of foodhandling jobs when the employee's disease poses a direct threat to public safety, the association had argued that this provision is not enough to protect restaurants from economic harm in cases such as AIDS (a disability protected under ADA), where the public may refuse to patronize an establishment if it is known that a foodhandler has AIDS—even though medical experts agree AIDS cannot be spread through food.

☐ *Further cuts in the business-meal deduction?* Richard Darman, head of the White House's Office of Management and Budget, last month came up with a plan to cut the business-seat of outgoing Rep. Bob Smith (R). He is gearing up to win the Republican nomination in a September 11 primary.

Greg Jolivette

Democrat nominee, Ohio 8th district

"It's a real family affair," says Greg Jolivette of the three restaurants operated by his family in Hamilton, Ohio.

Since opening an A&W Root Beer stand in 1937, the Jolivettes have given more than 2,500 Hamiltonians their first employment experience. Today, second and third-generation employees run the three casual family restaurants named Jolly's.

Jolivette, 38, manages one Jolly's unit, but he oversees the payroll for all three restaurants. "I see the concerns of the workers. I understand the pressures of making ends meet," he says. That is why he has taken it upon himself to see that government does not strangle small businesses with excessive regulations.

No stranger to politics, Jolivette was first elected to Hamilton's city council in 1981. He served as mayor from 1985 until deciding to run for Congress last February. Having captured the Democratic nomination for his district this May, Jolivette is juggling his time between Jolly's' dinner rush and the campaign trail, as he maneuvers to win the open seat of Rep. Donald "Buz" Lukens (R).

"My father taught me that the customer is always right, which has helped me serve citizens on city council. That same commitment will continue to help me serve the people in Congress," Jolivette says.

—Andrew McLauchlin

For further information on these campaigns, call Jim Keet: (501) 225-9097; Bill Zeliff: (603) 641-1990; Greg Jolivette: (513) 896-9716. To find out about other 1990 congressional elections, contact the National Restaurant Association's Government Affairs Department at 1-800-424-5156.

meal deduction from its current 80 percent to 50 percent to raise revenues.

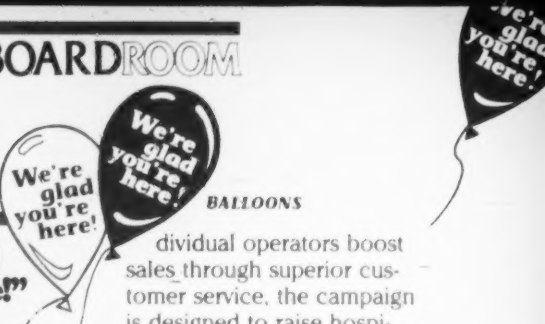
Darman's suggestion came during the ongoing "budget summit" between White House and Capitol Hill leaders. National Restaurant Association lobbyists immediately began working to make sure Darman's proposal will not be part of the budget package forged during the summit. The summit's recommendations are expected in August.

☐ *President sends leave bill back to Congress.* On June 29 President Bush vetoed a bill that would have guaranteed employees up to 12 weeks of annual leave in the event of a serious illness or if the employee needed time off to care for newborns or sick children, spouses or parents.

On July 25, the U.S. House of Representatives met to vote on overriding the President's veto, but the House failed to muster the two-thirds majority they needed.

—Denise Roach

"We're glad you're here!" ushers in renewed commitment to service


We're glad you're here!
We're glad you're here!
We're glad you're here!

BALLOONS

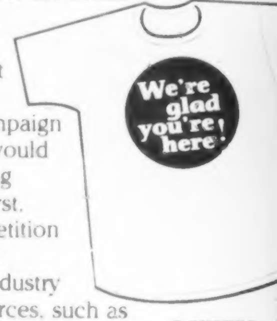
The National Restaurant Association's "We're glad you're here!" campaign is back again to build business for the foodservice industry, and the timing couldn't be better, says association president Michael E. Hurst.

The nationwide campaign is built around the phrase "We're glad you're here!," a slogan that emphasizes customer service and friendliness. "The focus for restaurant operators is changing from management-for-profit to management-for-people," says Hurst. "With the greatly intensified competition in our industry, successful restaurants now need more than just good food and a good location. They have to offer friendly service."

The "We're glad you're here!" campaign will be used by restaurant operators to win customers with service in two ways, says Hurst. "First, you start with the outward signs of hospitality. We would like to see everyone involved showing the 'We're glad you're here!' signs, buttons, posters and logo as the first step in customer appreciation.

"Second," Hurst continues, "we are offering materials to help restaurant operators instill the spirit of hospitality, or the 'gift of friendship' as I like to call it, in their employees. With this intense focus on employee training and commitment to the customer, we're going to make it hard for a service person to fail."

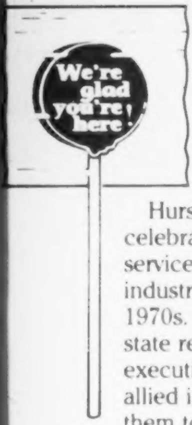
In addition to helping individual operators boost sales through superior customer service, the campaign is designed to raise hospitality standards for the entire foodservice industry. The current "We're glad you're here!" program is based on the highly successful promotional campaign the National Restaurant Association sponsored in the early 1970s. "At this turning point for the restaurant industry, the association board felt the time was right for a campaign like this that would promote eating out," says Hurst.


We're glad you're here!

T SHIRTS

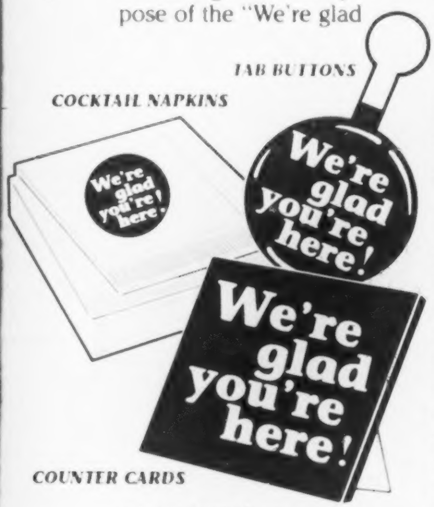
With competition coming at the foodservice industry from new sources, such as grocery stores and convenience stores, Hurst wants the campaign to serve as a reminder to patrons that hospitality is what separates the eating-out experience from other business transactions. "Value is important to the consumer at this time," says Hurst, "and eating out provides customers with something of value besides just low-cost food. In the world of hospitality, we have something wonderful to promote that most Americans don't find enough of in the course of a harried day: personal attention and a break from the daily routine."

To kick off the campaign, each National Restaurant Association member has been sent a brochure explaining how any establishment can tailor the campaign's theme to its operation. The brochure also includes descriptions and an order form for 19 items bearing the "We're glad you're here!" logo, including buttons, coasters,



floormats, T-shirts and table tents.

Hurst envisions that this celebration of customer service will spread to other industries as it did in the 1970s. He has contacted state restaurant association executives and members of allied industries, inviting them to display the campaign's logo and join in a nationwide commitment to customer service.


TAB BUTTONS
COCKTAIL NAPKINS
We're glad you're here!
We're glad you're here!
We're glad you're here!
COUNTER CARDS

Although the main purpose of the "We're glad you're here!" campaign is to improve customer service and appreciation, Hurst adds that the campaign's slogan can be extended to one of employee appreciation. "Courteous, attentive employees on the front line are what will make this campaign really work," says Hurst. "Managers need to let employees know that we appreciate their efforts, and we must give them all the training they need to succeed."

Foodservice operators wishing to spruce up their level of customer service in consonance with the campaign may wish to order a new booklet entitled *Courtesy Checklist: A Guide to Friendly Service*. This helpful guide can serve as the starting point for a training program for servers. The booklet walks servers through the crucial steps of the serving process—from greeting to departure. Separate sections are included for both tableservice and counter-service restaurants. To obtain the booklet, send a check for $1.99 per copy to the association's publications department. Mention catalog number MG515.

> ***"The focus for restaurant operators is changing from management-for-profit to management-for-people," says Hurst.***

We're glad you're here!
COASTERS

Additional server-training materials are available through the Educational Foundation of the National Restaurant Association in Chicago, Illinois.

Association members who would like more information about "We're glad you're here!" materials can call the association's communications department at 1-800-424-5156.

"Whether you simply greet guests with the words 'We're glad you're here!' or whether you make it the theme of your in-store marketing plan, every operation can benefit from tying in with this nationwide campaign," says Hurst.

—Paul Moomaw

Hurst names committee chairs

At May's board meeting, National Restaurant Association President Michael E. Hurst appointed new heads of committees and task forces to direct the association's activities for the coming year. Hurst himself is chairman of the Executive Committee. Other committee chairs are as follows:

Audit: **Florence Jaramillo,** Restaurante Rancho de Chimayo, Chimayo, NM.

Bylaws: **Jack Sosebee,** Sosebee Company Restaurants, Dallas, TX.

Communications: **Bruce Cotton,** Jerrico, Inc., Lexington, KY.

Convention: **Joseph Fassler,** Greyhound Food Mgmt., Inc., Phoenix, AZ.

Finance: **Richard Marriott,** Marriott Corp., Washington DC.

Government Relations: **Herman Cain,** Godfather's Pizza, Omaha, NE.

Image & Human Resources: **Michael Savvides,** Savvides Enterprises, Virginia Beach, VA.

Investment: **Clark Jones,** JBs Restaurants, Inc., Salt Lake City, UT.

Hurst welcomes Richard Marriott as the new chair of the finance committee.

Membership: **William Zoidis,** Pilot's Grill, Inc., Bangor, ME.

Nominating: **Guss Dussin,** OSF International, Inc., Portland, OR.

Pension: **Jackie Trujillo,** Harman Mgmt. Corp., Los Altos, CA.

Political Action: **Tom Kershaw,** Hampshire House Corp., Boston, MA.

Political Education: **Robert Rosenberg,** Dunkin' Donuts, Randolph, MA.

Research: **James Britt,** Blazers Restaurant, Greenwood, SC.

State Relations: **Richard Cregar,** Cregar Enterprises, Orchard Lake, MI.

Technical Services: **Stephen George,** Haussner's Restaurant, Inc., Baltimore, MD.

Task Force leaders for the 1990-91 term, also designated by Hurst, are as follows:

Alcohol Awareness: **Richard May,** Creative Restaurant Mgmt., Inc., Shawnee Mission, KS.

Association of Associations: **John Weichman,** Weichman's All Seasons Restaurant, Mobile, AL.

Board Structure/Operations: **Stephen Elmont,** Creative Gourmets, Ltd., Charlestown, MA.

Environmental Concerns: **Dick Stubbs,** Applewoods, Inc., Oklahoma City, OK.

Educational Foundation: **Ralph Brennan,** Mr. B's, Inc., New Orleans, LA.

Immigration: **Rolf Lewis,** Rolf's Restaurants Associates, San Francisco, CA.

Industry Needs: **A. Beirne Brown,** Cuisine Mgmt., Inc., Naples, FL.

Mandated Benefits: **Paul Lazar,** Wharf Tavern, Warren, RI.

Senate Luncheon: **W.W. Biff Naylor,** American Restaurant Services, Inc., Los Angeles, CA.

Solid Waste: **John Metz,** Metz Enterprises, Dallas, PA.

State/National Coordination: **Donald O'Neill,** Spring House Restaurant, Rochester, NY.

Restaurant replaces throwaways with dishes

Phasing out disposable packaging at I Love Juicy restaurants is just an extension of the environmental ethic that originally inspired the restaurants' vegetarian cuisine.

Every day a garbage truck pulls into the alley behind the I Love Juicy restaurant in Venice, California, and carts away a dumpster full of paper and plastic packaging waste. Along with the refuse from neighborhood convenience stores and other businesses, Juicy's rubbish eventually joins the 45,000 tons of trash buried daily in one of 10 overburdened landfills in Los Angeles County. But if Juicy's owner Michael Mandel has his way, all this will change—or at least his contribution will be diminished.

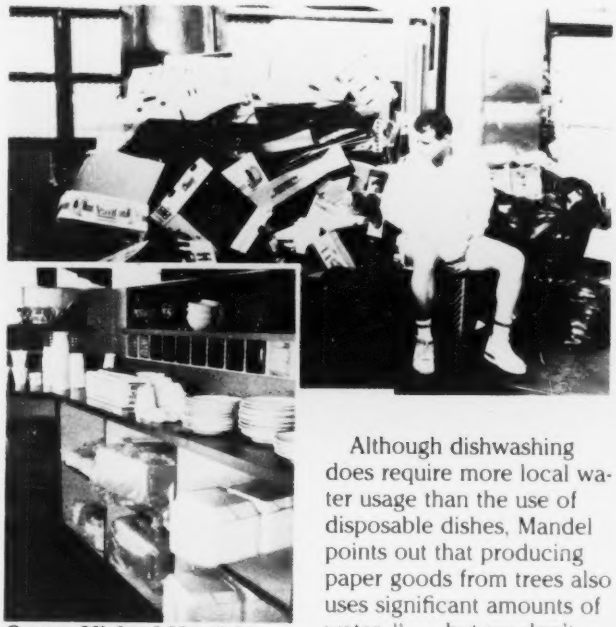
In May, Mandel began phasing out the disposable paper and plastic dishes and utensils used for the last eight years at his three popular all-vegetarian restaurants in Venice, West Hollywood, and Westwood, California. In their stead, Mandel has purchased ceramic dishes, bowls and coffee cups; metal silverware and glass tumblers. In each restaurant Mandel is hiring an additional dishwasher to handle the increased load of dirty dishes. The new employee will also bus tables once cleared by patrons, who dumped their paper and plastic into a trash can as they exited.

Juicy's had been serving sit-down customers with the same disposable dishes used for takeout orders, simply because "it was the easiest thing to do." When Mandel became concerned about the use of "styrofoam"—or polystyrene—packaging, he began buying paper products instead. Although they were much more expensive than their plastic counterparts, Mandel purchased cardboard Chinese takeout boxes and paper clamshells, soup containers and cups. But he remained unconvinced that paper was better. "The experts told me the paper products don't really biodegrade in landfills," he explains, "and I knew that you still had to cut down trees to make the paper. So I figured that instead of debating paper vs. plastic, I'd try to get rid of them both.

"We'll still have to use some paper and plastic for takeout food," Mandel says, since takeout customers account for about 50 percent of Juicy's business. To provide an incentive for further waste reduction, Mandel plans to give customers a 10 percent surcharge on takeout food. "If they bring their own Tupperware containers for the food or if they bring back the takeout boxes they got here, I'll waive the charge," he says. But Mandel hopes that customers will take advantage of the incentive to eat the food inhouse.

Comparative costs

Since making the switch to washable utensils, glasses and dishes for his sit-down customers, Mandel has reduced his disposable packaging outlay by almost 50 percent for the three Juicy restaurants—from $1,350 to $700 per month. By comparison, he spent $4,500 for the dishes and glasses, which will last for several years, even with modest breakage rates. He estimates that he could incur up to $225 a week in increased labor costs for the extra dishwashing help at each location. "But it's worth it," he says, ". . . because a lot of my customers were telling me they didn't like the waste from all the packaging. Some of them even said they'd eat here more often if we had reusable dishes."



Owner Michael Mandel has cut back to two days of trash collection a week by using ceramic dishes for on-premises meals. A mix of polystyrene and paper packaging is still kept on hand for take-out customers—for an extra charge.

Mandel points out that he is realizing some savings from reduced refuse-collection expenses. Until recently, his hauler charged him $300 per month for collecting his trash six times a week. With the conversion to ceramic dishes and the recycling of cardboard boxes, Mandel has cut back to two days of collection a week and is accruing a savings of $120 per month. This offsets some of the extra labor cost.

Although dishwashing does require more local water usage than the use of disposable dishes, Mandel points out that producing paper goods from trees also uses significant amounts of water, ". . . but we don't normally associate these effects with disposable packaging . . . . There are no easy answers to these environmental problems," Mandel concedes, "but we're doing our best. One step at a time."

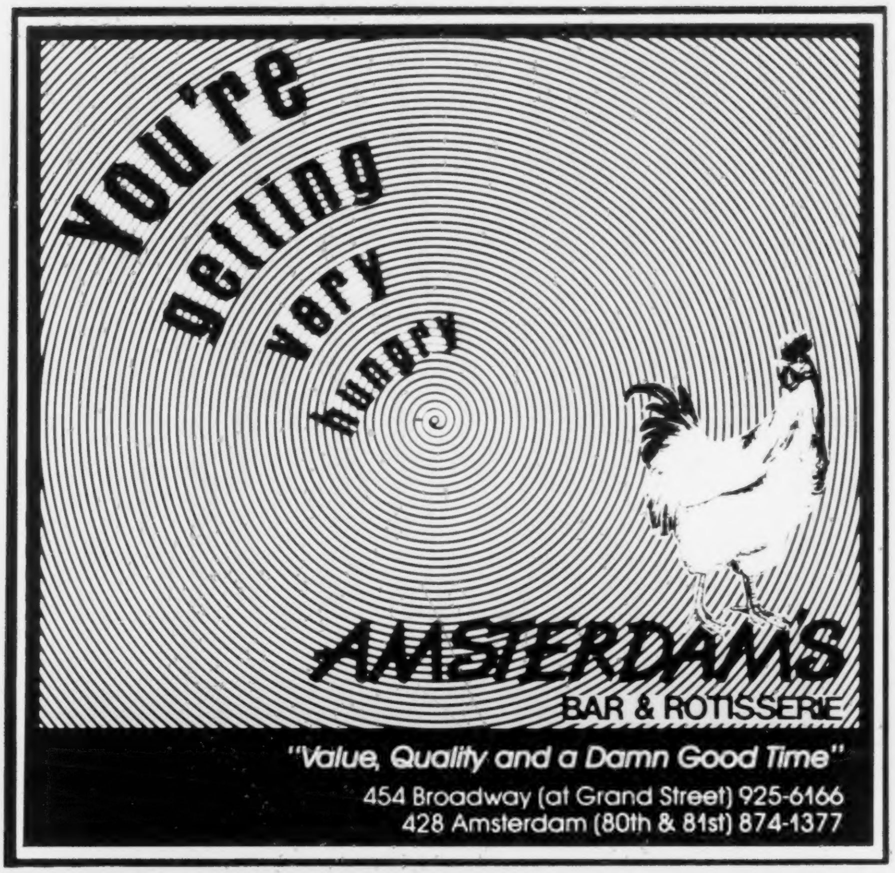
The next step could be to purchase a low-usage dishwasher, which is much more efficient than Juicy's current soak-and-spray method of dishwashing. According to the California Restaurant Association (CRA), some utilities in the northern part of the state are providing financial incentives, such as low-interest loans for the purchase of appliances including low-usage dishwashers and low-flush toilets. Most water utilities will also provide free water conservation guides.

"It's a slow process," Mandel says of the conversion to reusables, "and it may cost a little more at first. But it's the right thing to do. Besides, real dishes give the restaurant a classier atmosphere than styrofoam or paper plates do."

—Jennifer S. Gitlitz, a freelance writer in Venice, California, and a science consultant to the Natural Resources Defense Council

BUILDING AN IMAGE WITH ADVERTISING

by Paul Moomaw



AMSTERDAM'S
BAR & ROTISSERIE
"Value, Quality and a Damn Good Time"
454 Broadway (at Grand Street) 925-6166
428 Amsterdam (80th & 81st) 874-1377

It's important to take creative cues from the publication that will carry the advertisement. "I wouldn't recommend this ad for the *New York Times*," says creator Mark Turken. It appeared in *Spy* magazine.

Suppose you are a marketing executive with a restaurant chain. Management asks you to build an advertising plan to pull the company out of a slow-growth phase. With an eye toward the competition, you opt for a television advertising campaign that features announcements of price cuts and a two-for-one coupon drive designed to increase market share—tactics being used by the competition.

Using the biggest advertising firm in town, you buy the best prime-time television spots for your ads. The slick ads come off without a hitch.

But at the end of the year when the figures come in, sales are flat. What went wrong? The ads missed their mark because they didn't build an image based on your company's marketing plan.

Taking the long-term view

In today's competitive climate, restaurants often treat advertising as a quick fix. Scott Hume tracks restaurant advertising as the Chicago bureau chief of *Advertising Age* magazine. "You're seeing a lot more price and promotion advertising rather than image advertising," says Hume. "That shows that restaurant people are thinking short-term."

If all restaurants use ads focusing on price promotions, the result may be a less effective crop of advertise-

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Paul Moomaw is a communications specialist at the National Restaurant Association.

ments for the industry. "It makes it harder for the consumer to distinguish between the ads," says Hume. "Who can remember which restaurant is offering the 99-cent burger?"

Instead, says Hume, restaurant advertising has to be sturdy enough for the long haul. "Because restaurant dining is a non-necessity," says Hume, "you have to keep reminding people to 'come and eat here.' That means that you need creative material that can stand repeat offerings." Consumers make restaurant-dining decisions every day, and sometimes more than once per day. Unlike ads for big-ticket purchases, which may be relevant to consumers only during a one-time window period, restaurant advertising that builds an image can affect dining decisions for years.

The secrets of image-building

The most powerful use of restaurant advertising is to build an image that links together two things in the customer's mind: eating out and your restaurant.

So, what are the secrets of the advertising pros? Successful restaurant advertisers have at least three: They follow an integrated marketing plan, they know what to sell with their ads and they project their image effectively in their ads.

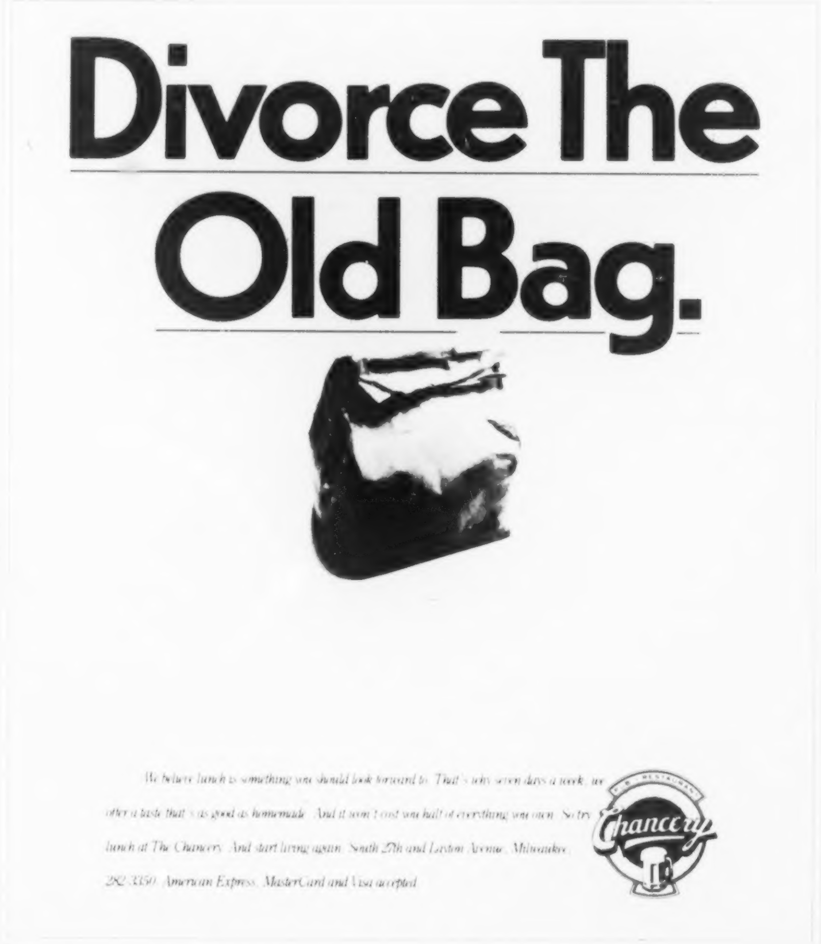
Devising a plan. Before advertising an image, restaurant marketers must know to whom they are advertising and what to advertise. For large restaurant companies, that may mean conducting market research. For an independent, it means knowing who your target audience is. Either way, good advertising must be preceded by a marketing plan.

A firm believer in this approach is David Engel, marketing director for the DeRosa Corporation, which operates five Chancery Pub and Restaurants in the greater Milwaukee area. Chancery establishments have made a name for themselves with clever print ads that exude an offbeat, fun personality. According to Engel, however, coming up with clever ad copy is the last step. "The success of our ads is the result of our marketing plan," says Engel. "It starts with our menu, which promises good food, variety and a quality product. I don't think restaurant people spend enough time using their menu in marketing." After all, says Engel, the menu handed to the customer is a form of advertising.

Engel also knows his competition. As a casual-theme restaurant, Chancery competes for customers with similarly styled restaurants, such as Houlihan's and T.G.I. Friday's. "Let's face it," says Engel, "our food is no better than T.G.I. Friday's, and theirs is no better than Houlihan's." So how does Chancery differentiate itself? That's where advertising and promotion come in. "Every advertisement and every promotion we do is designed to build the brand personality of our restaurant," says Engel. For Chancery, the marketing plan "tells them" to use advertising to convey the "offbeat, hip" sense of humor and fun that is a trademark of the restaurants. Even though Chancery ads are often wild, and even controversial, the image is no accident. "There's a method to our madness," says Engel.

In the current restaurant climate, fast-food advertising poses a special problem for marketers. Many companies feel the pressure to create impulse purchases that increase market share in the short run. It's a pressure that often leads to discount-based advertising that does not build an image.

Scott Hume of *Advertising Age* believes that the recent series of televi-


Divorce The Old Bag.
P.B. · RESTAURANT
Chancery

We believe lunch is something you should look forward to. That's why seven days a week, we offer a taste that's as good as homemade. And it won't cost you half of everything you own. So try lunch at The Chancery. And start living again. South 27th and Layton Avenue, Milwaukee. 282-3350. American Express, MasterCard and Visa accepted.

Chancery's offbeat and sometimes controversial ads have helped the restaurant convey the sense of humor and fun that is a trademark of the five restaurants.

sion commercials for Wendy's that features founder Dave Thomas has struck the right balance between long-term image-building and price promotion. "I give Wendy's credit for developing such a campaign in this difficult time for chains," says Hume. "Theirs is the kind of campaign that needs time. But Thomas is establishing himself as a likable character, as well as the founder of the chain." In the Wendy's ads, Thomas is featured in a variety of settings—both inside a Wendy's restaurant and outside—talking about Wendy's' food, prices or service. By establishing him as a spokesperson, Wendy's is able to weave continuity into its ad campaigns, even if he is announcing a short-term promotion.

Selling the right thing. Part of effective image-building is knowing what to "sell" in the advertisement. Mark Turken is president of his own advertising firm in New York City and has become known for his work with independent restaurants. As Turken points out, advertising upscale restaurants in Manhattan requires that you sell much more than food. "You tend to be selling ambience in New York restaurant ads," says Turken. "Dining out here has become a form of entertainment in itself."

In central Indiana, however, the focus is different. The nine-unit Jim Dandy restaurant chain has found a successful print and radio advertising strategy built on its menu items. "Our goal is to make people eat out rather than at home," says Gary Sampson, director of marketing for the chain's parent company in Tipton, Indiana. "Offering homestyle food items in words and pictures in our advertisements is how we do that." Building this simple "home-cooked" image has worked for Jim Dandy restaurants for 25 years, and according to Sampson, the strategy isn't likely to change soon.

Projecting the image. Once the marketing plan has been studied and the advertising strategy has been formulated, a restaurant's image still has to be projected.

According to Turken, choosing the right publication for a restaurant's print ads is one of the main tools of restaurant image-building. "Where you advertise is very important in terms of image, and the language and look have to be different. For instance, in an upscale publication, I tend to use less verbiage," says Turken. In every case, Turken tries to stay true to the restaurant's strengths. "I believe the ad should always reflect the restaurant," he says.

Turken often takes his creative cues from the publication that will carry the advertisement, as well as from the theme of the restaurant. An ad he created for Amsterdam's Bar & Rotisserie in New York, for example, featured the playful humor of *Spy* magazine, in which the ad appeared. "I wanted something kind of hypnotic for *Spy*," says Turken of his ad featuring an optical illusion. "I wouldn't recommend that ad for the Friday *New York Times*."

In an ad for New York's Cafe Greco that appeared in an interior-design publication, Turken appealed to the sensibilities of interior designers while promoting the party facilities of Cafe Greco. The ad features a spacious photograph and sparse copy that toys with the meaning of the word "space."

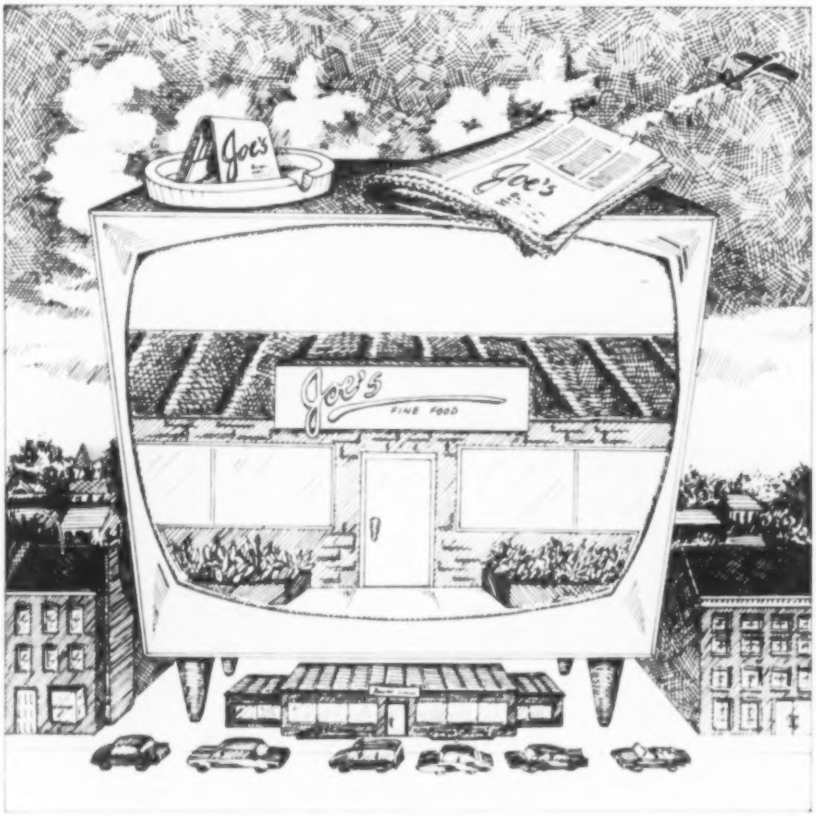
An image can last forever, almost . . .

Is there more than one way to build a restaurant's image through advertising? Of course. Although today's competitive environment leads many marketers to think short-term with their advertising, most marketing experts agree that a long-term advertising focus built on a solid marketing plan can lead to the ultimate goal of restaurant advertising: building an image that makes customers associate a restaurant with their favorite eating experience. ❑

Private Luncheons
Corporate Affairs
Special Functions
Your Reception
Parties From 25-150
212-737-4300
1390 Second Ave. (71st-72nd)

This Cafe Greco ad, which toys with the meaning of the word "space," was aimed at interior designers.

WHERE TO ADVERTISE



Lucinda Levine

Deciding what is the most effective, economical way to advertise your restaurant isn't always easy. Should you use TV, radio, print or a combination? Here are some pointers that may help you choose.

Did you ever wonder why customers are not beating down your door and business isn't booming? Maybe it is because you are not promoting and advertising your restaurant effectively.

Why advertise?

The purpose of advertising is simple—to let people know that you are in business. In addition, advertising serves

☐ to create a positive image
☐ to develop a need for your services and products
☐ to persuade customers that your products/services are the best on the market
☐ to increase profits and
☐ to capture customer attention/enhance customer action.

The most effective advertisements share some elements, which you should keep in mind when developing your advertising campaign. They are simple, clear, honest, informative and customer-oriented, and they attempt to answer who, what, where, when, why and how.

What is the best approach?

Spending advertising dollars with no purpose can do more harm to your business than good. Even advertising with a specific plan is no guarantee of success.

When selecting your advertising goals, ask yourself:

☐ What image do you want for your company?
☐ What market do you want to reach?
☐ What menu items/services do you want to emphasize?
☐ What sales do you expect?
☐ How much money do you have to spend?
☐ When is the time right?

These areas are by no means inclusive. As you sit down to plan your company's goals, other ideas will surely follow.

When setting your goals, remember to make them specific. Generalities are nearly as detrimental as no goals at all. Don't just say, "We want increased sales." Specify how much the increase should be, i.e., 20 percent or $10,000.

You may not be able to determine

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the answers to all of your questions on your own. Market research may be necessary before beginning your campaign.

Once you have some objectives laid out, you must prioritize those objectives. One advertising campaign never will or should be able to accomplish all of your goals at the same time. Focus on one or two objectives.

Advertising mediums

Now that you know the who, what, where, when and why, you must answer how. Which medium should you use? Regardless of the medium, remember that a hit-or-miss approach will not be effective. Regular and constant repetition has proven time and again to be the most productive.

Newspaper: Newspapers are probably the most widely used advertising medium among small businesses. Newspapers have immediate impact and a sense of timeliness, and they allow great flexibility in advertising.

Magazines: Magazines offer regional and national exposure. They have a longer lifespan than newspapers, but they cost more. Some national magazines have regional editors and offer Zip-Code coverage. Because they use premium-printing techniques, in magazines an advertiser can use color and photos more effectively than in newspapers.

Try to match the market area of the publication to your market goals as closely as possible. If yours is a small restaurant in a large metropolitan area, advertising in the daily metropolitan paper will probably cover too large a market and might be out of your price range. But on the other hand, perhaps a small ad in a local magazine would be worth the money. In smaller towns, the local weekly paper may be just what you need. Be sure to check the different types of advertising to get the best rate available.

Publicity is not limited to paid advertisements. Free advertising is available through the use of news releases informing papers of newsworthy stories about your restaurant.

Radio: There are many different types of radio stations, so be sure to match the station's market audience to your market needs. The power (wattage), audience and programming should be considered in radio just as circulation and content are looked at in selecting a newspaper.

A station that has a powerful wattage may be too big for a small business. A station with limited geographical coverage, where the market area is limited, may be just what you need.

Television: In the past, TV advertising has been out of the question for small businesses. Rates for stations affiliated with major networks are too high. But the expansion of cable television has changed that. More opportunities are arising for small businesses to advertise on TV. If you are considering this medium, do some careful research as to viewer age, income, viewing habits and so on to make TV advertising effective.

Other options: Various other highly successful methods of advertising are also available.

☐ *Yellow Pages*—Placing a small, detailed ad in the Yellow-Pages section of your local phone directory is a proven method of dispersing information. The Yellow Pages are especially effective in attracting new customers.

☐ *Flyers*—This is an inexpensive but effective method of getting your message out to a limited area.

☐ *Billboards*—This can be a very effective advertising method, especially for out-of-the-way restaurants located close to an interstate or highway. (*Note:* There are laws against billboards in some communities.)

☐ *Signs*—Signs make the first and often a lasting impression on customers and potential customers.

☐ *Specialty items*—Giving away pens, notebooks, key chains, matches and calendars is a popular advertising gimmick. This type of advertising can be especially successful in a small town.

These are some of the advertising tools available. Any one or a combination of these or other advertising methods can be used to promote your restaurant. The trick is to find the method(s) that best meet the goals of your company.

Backed by high-quality products and services, advertising is a powerful tool that can make your business boom! ❑

BEFOR

A restaurant that places a one-column-inch advertisement with a large metropolitan newspaper because of the promise of larger readership might as well burn the money and throw the ashes into the air. The ad is likely to get lost.

But there are other publications that can reach a targeted audience and be well worth the money spent. The trick is to find the right publication among those available in your area.

Begin by visiting a newsstand or bookstore and browsing through the periodicals. Many cities have a weekly or monthly news and feature magazine that writes up local events, theater listings and articles about local people. These publications are popular because people enjoy reading about their friends and neighbors and the businesses in their area.

As you thumb through the magazine, notice which other local restaurants have advertisements in the is-

CALIFORNIA CUCINA

EXTRAORDINARY LIGHT ITALIAN/CALIFORNIA CUISINE

Restaurant
Take Out

Mon thru Sat
11:00 to Close
Sunday
4:00 PM to Close

Delivery
Catering

818 509-1714
FAX 818 509-1913

10658 Riverside Dr. Toluca Lak

YOU GO TO PRINT . . .

A few practical pointers to consider before placing print ads.

by Jeffery Bowman

sue. Does the magazine include a listing of restaurants? Does it include a review of one of these restaurants? If so, this may be an excellent medium for advertising your restaurant.

Examine the reach and the cost

Once you have narrowed down your selection to one or a few of these publications, call the publication and request a media kit and a sample issue. The media kit will include a rate card, a demographic breakdown of readership by such factors as age, gender and income, and possibly letters of recommendation from other businesses that have advertised. Look this information over carefully to determine whether the publication reaches the people you want to target.

The rate card will tell you what your options are. It will list ad sizes and rates. Take the time to determine how much it will cost for 1,000 people to see your ad in the publication (CPM). To determine the cost, divide the cost of the ad by the circulation in thousands. For example, if you bought a $200 ad in one magazine with a circulation of 20,000, the CPM would be $200 divided by 20 or $10. If the cost in another publication is $300 but the circulation is 50,000, the CPM would be $300 divided by 50 or $6—a lower rate.

Also listed on the rate card will be the ad sizes that the publication offers. Most will offer specific blocks, such as a one-quarter, one-third, one-half, junior-page and full-page ad. Again, you may want to look through the publication and find the ad size that you find appealing and that grabs your attention. An extremely small ad on a page with larger ads may fall into the category of bad advertising.

Most publications offer multiple-placement discounts—special rates for advertisers who sign a contract that binds them to three, six, 12 and more placements of their ad. The rates go down as the quantity increases, thereby making it less expensive *per ad*. But you may not want to tie yourself down to a contract. Although the savings on paper look great, you will be legally bound by a contract that guarantees the publication your continued payments whether you place the ad or not. If your business should fail, the contract would continue nonetheless. If the publication is relatively new, you may want to place only one insertion and judge the results before continuing. Do not underestimate the value of repeat advertising, however. It may take readers three or four exposures to your ad before they take action.

If you have never placed an ad with a publication or have any hesitancy in this matter, you should ask an advertising representative to visit you. Before the meeting, make sure you have a firm grasp of your needs, know what you want the ad to say and know how much you can invest in advertising at present and in the near future.

Here are some questions you will want to ask the representative to determine whether you want to place an ad with his or her publication.

If all you can afford is a small ad, find out whether it can be "reversed." This process is done during printing and will change black print on a white background into white print on a black background.

Jeffery Bowman is a restaurant business consultant and writer based in Los Angeles, California.

NATHANS

(202) 338-2000
3150 M Street, N.W.
Washington, D.C. 20007

NATHANS

(202) 338-2000
3150 M Street, N.W.
Washington, D.C. 20007

JULIAN'S
★★★★
Restaurant Francais
Nashville, Tennessee 327-2412

JULIAN'S
★★★★
Restaurant Francais
Nashville, Tennessee 327-2412

Dine in the Beauty of our
1797 Home
Anthonys
3109 Piedmont Road, N.E. (404) 262-7379
Atlanta, Georgia

Dine in the Beauty of our
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Anthonys
3109 Piedmont Road, N.E. (404) 262-7379
Atlanta, Georgia

PITTYPAT'S PORCH
Atlanta's Most Unique Restaurant
Antebellum Cuisine and Atmosphere
25 International Blvd., N.W. (Downtown)
(404) 525-8228

PITTYPAT'S PORCH
Atlanta's Most Unique Restaurant
Antebellum Cuisine and Atmosphere
25 International Blvd., N.W. (Downtown)
(404) 525-8228

Questions to ask an ad rep

1. Get more information about the publication. What are its strengths? What is the readership? How long has it been printing? Many of these questions will be covered in the media kit, but it is nice to hear a bit of enthusiasm from the person wanting to sell you the ad. If the ad rep seems vague and uninterested, chances are that you will receive the same kind of service throughout your contract.

2. Find out about upcoming special issues. Obviously, a restaurant issue would be a good place for your ad. But don't restrict yourself to restaurant issues only. Look around your area. If you are close to a theater, advertise in the theater issue. As theater patrons are reading about the latest play or film, your ad will suggest that they have dinner at your restaurant before or after the show.

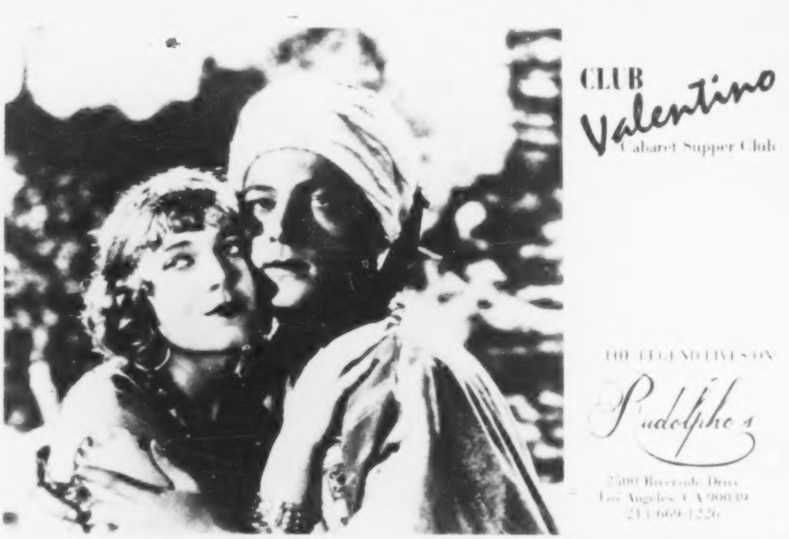
Are you near a college? Business center? Rollerskating rink? Do a little research and find out which of these publications appeal to the audience that you want to reach.

3. Ask about your placement options. Theory has it that the upper half of the right-hand page is the best position for an ad. Of course, if yours is the most creative and appealing ad in the magazine, it will stand out no matter where it is placed. But it is also true that the human eye naturally falls on the right side of the page when readers thumb through a magazine. Request the right side of the page first, and go from there. Other premium placements are the front half of the magazine, the inside covers—front and back—and directly

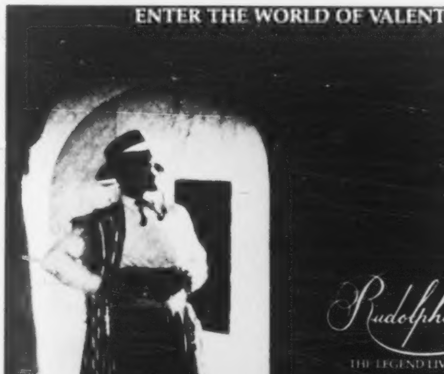
Art: the nonverbal sales tool

Is a picture truly worth a thousand words? In most cases, yes, especially in print advertising. Although an innovative catch phrase and slogan are very useful sales tools, your ad must still compete with the dozens of other very creative slogans vying for the reader's attention. Artwork, on the other hand, can be one of a kind and can help you create a specific image in the marketplace. In our very visual society, one picture can grab and hold attention in a way that words cannot.

A restaurant with the generic name of "Sam's Seafood" can be sure of the fact that the public will know that it serves seafood. Using the term "seafood" was a good start. But how can this restaurant compete with other local seafood restaurants and also convey that it "serves over 50 types of fish, all dressed to your liking in an atmosphere of fine dining?" Obviously this can be accomplished by stating these facts in the ad. But that's very wordy and not very interesting. As an alternative, Sam's Seafood can create artwork that depicts 50 types of fish dressed as models on a runway posing before a group of well-dressed, hungry diners holding menus and commenting on



RUDOLPHO'S. The restaurant offers continental cuisine in an environment of Old World cinema glamour. Originally the owners did not use the Valentino image, even though the restaurant was named after the silent-screen star. The "Enter the World of Valentino" concept was used as both a mailer and a general advertisement for the restaurant. The picture of Valentino posing in the doorway, the black backdrop and the two catchphrases, "Enter the World of Valentino" and "The Legend Lives On," capture the feeling and glamour of the restaurant.


ENTER THE WORLD OF VALENT
Rudolpho
THE LEGEND LIV
2500 Riverside Dr
Los Angeles
213/669-1226
OUTDOOR PATIO • SUNDAY BRUNCH • CABARET IN THE VALENTINO ROOM

CLUB VALENTINO. Rudolpho's also features a cabaret in which singers, comedians and musicians are spotlighted. The room was originally called "The Valentino Room" and used for banquets. The name Club Valentino and the picture of Valentino in a romantic pose with a co-star suggests an intimate evening reminiscent of a bygone era.

across from the cover or feature story. With a larger ad, you may be able to request that your ad be placed on a page with editorial only. This means that your ad will be the only one on the page and will surely stand out and get attention. Many magazines will not guarantee placement, and this could be a factor in your advertising decision.

An effective program for your establishment may be to begin with a larger ad to prominently display your business and follow with two or three small backup ads that keep your name in print. Most publications will offer multiple-placement discounts no matter what the size and variation of the ad.

4. Next, determine the size of your ad. With regard to size, there is no absolute right or wrong. The key is to make the most of your money with even the smallest ad. Due to space requirements, most publications must place smaller ads among smaller ads. Therefore, the reader and prospective customer must wade through the others in order to find yours. Most often, what will happen is that the reader will only scan the page before turning to the next. But do not let this discourage you. Even the smallest ad can be effective if a few added steps are taken.

☐ Don't be tempted to fit the most copy possible into a small space—it only clutters the space and creates lettering so small, only a magnifying glass could help decipher it.

☐ Feature your logo as prominently as possible and, in smaller type, a catch phrase or single description (such as RESTAURANT-COCKTAILS-NIGHTLY DINNER SPECIALS).

☐ Include your phone number and address.

☐ If all you can afford is a small ad, find out whether it can be "reversed." This process is done during printing and will change black print on a white background into white print on a black background. This is particularly effective for smaller ads because it allows them to stand out in a sea of other small ads. Reversed ads may cost you a bit more, but they are usually worth the extra money.

☐ Back up your ad with a detailed listing in the "restaurant listings" section or with a review when possible. Publications that do not offer these added incentives may not be good bets for a small ad.

5. Contact other businesses that advertise in the publication and find out how satisfied they are with the advertising program.

6. See if the publication will offer editorial space to its advertisers. Be sure to ask about this benefit. Some publications will allow you to submit your own copy and print as is, so you will have the public reading about how wonderful your establishment is—written by one who really knows. Others may offer a full-scale review, a continuing listing in the "restaurant listings" or "guide to advertisers" sections, or periodic mentions of upcoming events, celebrities who have visited the restaurant, fundraisers and if you feature entertainment, the program schedule.

If the publication includes motion-picture advertisements and promotional contests, you may want to sponsor a prize such as two free dinners. In return for this, you will be featured with other advertisers and a major motion picture for only the cost of these complimentary meals.

7. Ask if the publication will trade advertising space for restaurant scrip. Many local and regional magazines do trade. The deals vary in each case; but generally no money changes hands, and both parties benefit.

The best deal for you will be to trade straight across the board—meals for advertising. This is done at retail value of both the food and the advertising. Variations include half trade and half cash, and in some cases, the publication will offer to trade only at your cost. This means that you receive, let's say, $500 worth of advertising in return for $1,000 of restaurant scrip.

One of the best reasons to take part in this type of transaction is its promotional value. The publication staff either gives your scrip to valued clients or uses it themselves. This means that you are gaining exposure not only through advertising but also through on-premises exposure and word-of-mouth recommendations. After tasting your special cuisine, the editor, publisher and guests will tell others and increase your business.

In some cases, publications have arranged a trade with a restaurant and held their annual holiday party at the establishment, photographed the event and published the photos in an upcoming issue. The publicity value of such an event is immeasurable.

(The sales representative may not be authorized to handle a trade transaction, but will have the publisher or editor personally contact you.)

Some final points to consider include discounts for camera-ready artwork, any free art services, lead time for each issue and cutoff dates for changes in your ad. ❑

the proceedings. A clever catch phrase can be used, but is not necessary. The picture tells all.

Nearly all advertising agencies have their own art departments that work in conjunction with advertising executives. Advertising agencies are expensive, however, and many small restaurants cannot afford to both advertise and pay the fees. As an alternative, many publications also staff artists and will create original artwork for a nominal fee, but the end product may look just like the others in the publication.

Freelance artists, on the other hand, work on a per-project basis, usually for affordable rates. You can find freelance artists or illustrators through art clubs, ad clubs, the Yellow Pages, chambers of commerce, local printers and the advertising or art departments of local colleges. Freelance artists are usually happy to visit prospective clients and show them samples of their work. Look over the samples carefully to make sure that the style coincides with the image or feeling you want to convey about your restaurant. Be sure to discuss delivery dates and fees at the meeting.

Original photography is effective, too, but is often more expensive than an illustration. The shot must be set up, usually in your restaurant, which may mean that you must close during business hours. Other considerations may include the photographer's fee (usually hourly), models and prop food for the shot (if interior), proper lighting and developing costs. In some cases, old photographs can be used to good advantage, too, if a restaurant's ambience harks back to another era.

by H. Wayne Roberts, MAS

Specialty advertising products can provide the creative marketing boost that restaurants need in today's competitive market.

In brief, advertising specialties are useful or decorative items imprinted with a logo, advertisement or message and are distributed free to a target audience. The mug carrying the logo of your coffee supplier, the pen imprinted with the name of your insurance agent or the bank calendar hanging on your wall are all ad specialties.

HARBOUR
RESTAURANT

RESTAURANTS ENHANCE THEIR IMAGE WITH SPECIALTY ADVERTISING

The benefits

The benefits of ad specialties are many. By presenting your desired customers with tangible items that will be frequently used or attractively displayed in offices and homes, your message is continually communicated. More important, the message is delivered directly to the audience you wish to reach.

Advertising specialties also build goodwill between your restaurant and your targeted dining audience. A study by A.C. Nielsen showed that everything else being equal, people are more likely to patronize a business that has given them a specialty item than one that has not. Everyone likes to receive items free, and the positive feelings generated by the individualized attention goes a long way toward cultivating an important repeat customer.

H. Wayne Roberts is chairman of the board of Specialty Advertising Association International, the specialty industry's trade group. Based in Irving, Texas, the trade association represents more than 4,500 supplier and distributor members. Roberts, a former senior vice president of the Virginia Restaurant Association, is chief executive officer and corporate vice president of Pioneer Balloon Co., a specialty-advertising supplier headquartered in Wichita, Kansas.

For all types of restaurants

Specialty advertising is a realistic and economical tool for any restaurant, regardless of size, budget or clientele. With an estimated 15,000 types of adcentives to choose from, the medium is limited only by one's imagination. Any message can be communicated to any target audience while working within most budgets.

Many restaurants already use specialty advertising. In fact, imprinted matchbooks, a popular ad specialty item, have been a fixture in restaurants for decades. However, specialty advertising is most effective when it goes beyond passive distribution and becomes an active marketing tool to meet a specific goal.

For example, the new owners of Forkey's Family Restaurant in Martinsville, Indiana, sought to create a new image and increase traffic for the restaurant, which had been operated unsuccessfully by several previous owners. Capitalizing on the "Fork" in Forkey's, a logo was designed and imprinted on matches, business cards, baseball caps and fork-shaped pens.

A grand opening was organized and announced in mailings to select individuals, clubs and business establishments. Imprinted ad specialties were included in the mailings and distributed at the grand opening. Individuals bringing the ballpoint pen to the restaurant could redeem it for a 10 percent discount on meals.

Forkey's enjoyed a tremendous response to this promotion. Seventy-three percent of those who received the mailing responded, and traffic increased by 42 percent during the 3½-month promotion period. The new

***No one could miss this message.* A blimp supported the specialty-advertising campaign developed by the Harbour Restaurant and Waterfront Club in Woodbridge, Virginia, to appeal to upscale diners, including yacht owners and their families. Giveaway items featured baseball caps, sport shirts and membership cards for VIP customers and plastic writing slates and bibs for children. The campaign resulted in a 60 percent increase in total revenues.**

Courtesy of Clifford Quicksell, Promotivations Advertising, College Park, Maryland.

owner also estimated that 60 percent of the customers who responded to the grand-opening mailing continued to patronize the restaurant. At year's end, gross sales were double that of the best previous year.

A collection of restaurants at Westshore Plaza, a shopping mall in Tampa, Florida, implemented a creative specialty-advertising campaign to increase traffic at its food court. A three-month "Picnic at the Mall" promotion was designed to increase food business from 3 p.m. to 9 p.m.

Discount cards were mailed to 14,000 households and businesses, and specialty advertising was used to provide a picnic atmosphere for the event. Imprinted banners, red-and-white checkered tablecloths and tray liners supported the "Picnic at the Mall" theme. Merchants were asked to keep daily logs of the number of discount cards used, and imprinted T-shirts were given to employees as an inducement to keep timely and accurate records.

Participating restaurants reported a 7 percent sales increase. Nonparticipants experienced a 5 percent decline.

Large restaurant chains also can find success with specialty-advertising campaigns. Carlos Murphy's, a national chain of restaurants/bars that caters to young adults in 16 cities, wanted to stimulate business with a special-events promotion. A St. Patrick's Day promotion was a natural for the bars, which are billed as "Irish-Mexican cafes."

Posters announcing the "Celebrate St. Patrick's Day" promotion invited patrons to reach into the leprechaun's pot of gold and take a gold coin. The coins could be redeemed for food discounts or free drinks on future visits, thereby encouraging repeat business. The promotion theme was augmented by fuzzy stick-on creatures that were distributed to customers.

The positive effect of the 30-day promotion and the success of the specialty-advertising campaign convinced the chain to redirect a good portion of its advertising budget to sales promotions and merchandising.

Public relations tool

Specialty advertising also is an effective means of informing customers about a restaurant's public-service efforts. For example, restaurants can design menu symbols to indicate low-fat or low-cholesterol dishes and then can dress servers with buttons, hats and aprons imprinted with the same symbol. They also can imprint beverage napkins with a reminder about designating a nondrinking driver or can give customers key rings that communicate a similar message.

Another creative ad-specialty technique has been to adapt traditional matchbooks for nonsmoking diners. The matchbooks can carry a message indicating they can be used for more than lighting cigarettes, or the matches can even be replaced with toothpicks.

Should be part of a program

Specialty-advertising campaigns are most successful when integrated into thoughtfully planned sales and marketing programs. Specialty Advertising Association International (SAAInternational) in Irving, Texas, the industry's trade group, suggests the following approach when planning a specialty-advertising campaign:

- ☐ Define a specific objective,
- ☐ Identify the target audience,
- ☐ Determine a distribution plan,
- ☐ Create a central theme for the promotion,
- ☐ Develop a message to support the theme and
- ☐ Select a specialty item that relates to the advertiser or message.

To assist restaurateurs in developing creative and effective ad-specialty campaigns, SAAInternational recommends working with a specialty-advertising distributor/counselor. These consultants are experts in the field and can guide restaurateurs in the development of campaigns, selection of appropriate specialty items and implementation of advertising-specialty programs. ❏

Specialty items can boost service ratings

Stimulating sales and motivating employees were the goals of an ad specialty program implemented by the Shoney's South Inc. restaurant chain, headquartered in Charlotte, North Carolina. The management adopted an incentive promotion targeted at employees and designed to provide service beyond customers' expectations. The "E Team" program was implemented at 200 Shoney's locations in southeastern states to inspire server excellence.

To introduce the promotion, employees received a series of teaser specialties, including a double-eraser pencil with accompanying copy, "Eliminate mistakes. Join the E Team soon." This was followed by a wooden nickel imprinted with "Don't take any wooden nickels. Join the E Team." Management then explained the promotion goals and the competition, whereby restaurant locations would be divided into six geographic divisions.

Employee performance was observed and evaluated by "mystery shoppers" who visited the restaurants, unbeknownst to employees. Employees were given lapel pins and bumper stickers. Printed on the liners of the bumper stickers was the amount of cash the winning location in the division would win and distribute among employees. Other prizes were jackets and caps with the promotion's logo.

According to Shoney's marketing department, the ad specialty promotion resulted in a 10 percent increase in sales and a 4.5 percent increase in "excellent" service ratings.

TEAM MEMBERS ARE
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PICTURE-PE

©Dan Hardy/The Houston Post

by Ju

Because food is notoriou
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make food loo

It's the kind of picture that makes your mouth water—a picnic supper with glistening drops of dew on the peaches, steak cooked to perfection, beans so green you can almost taste their freshness, a dish of luscious ice cream and a glass of white wine that sparkles in the sunlight.

If you could wish yourself into the picture and join the out-of-sight guests when they sit down to enjoy this enticing meal, chances are you'd be in for a big disappointment—unless you like your meat cold and almost raw, your vegetables undercooked, wine that tastes like ginger ale and ice cream hard as a brick. The peaches might even turn out to be green, despite their rosy color.

The fact is the food in the picture was not intended for any guests. Because food is so difficult to photograph, it's more important that food in photographs look good, not taste good. Making sure it looks good is the job of a specialist—the food stylist. The job requires so much skill that individuals talented in this art have gone into the business full time and even warrant their own section in Irena Chalmer's new book, *The Food Professional's Guide*. Food stylists prepare food for television and movies and for photographs in magazines, newspapers and cookbooks. Few food ads would be successful without them.

Food stylists in focus

Food stylists are usually self-employed. They are hired by either the photographer, the advertising agency or the client. The client may be a large foodservice corporation readying a major advertising campaign, or it could be a local restaurateur who wants to illustrate a menu with photographs of some of the restaurant's specialty dishes.

Food stylists are found in greatest numbers in metropolitan areas like New York, Chicago and Los Angeles. They earn from $200 to $750 a day, depending upon the assignment and the local going rate.

Because they usually prepare the food themselves, to the client's specifications, and because they need to know what happens to food under all sorts of conditions, most food stylists have a background in home economics or culinary arts. Stephen Shern, now a food stylist full time in Los Angeles, was a chef working in New York when he first began to dress up food for the camera.

Besides a knowledge of food, food stylists must have the eye of an artist, be creative and be meticulous in attending to details. "It is very tedious work," says Peggy Green, who works in Houston. An understanding of photography is also important. "You must realize that you are seeing food one-dimensionally, not three-dimensionally," says Debbie Wahl, who works in the Washington DC/Baltimore, Maryland, area. "What the camera sees is different from what the eye sees. The light, shadows and angle have an effect on how the food is viewed." Food stylists also need to be quick problem solvers, because a lot of unexpected things happen when one works with food. Robin Lutz, a stylist in Columbia, Maryland, remembers a time when the icing slid right off a cake.

Tricks of the trade

The job of the food stylist is to make food look fresh and appealing, even if it's been sitting before the camera for hours. But even before the lights go on, each food item must be perfect in shape and color. In New York, stylist Sarah Greenberg shops at specialty markets like Balducci's for the best-looking fruits and vegetables. In Chicago, stylist Jane Kuoni Hand chooses buns right off the conveyor belt at the bakery; buns from a package tend to have wrinkles. If the sesame seeds aren't distributed evenly, she glues more on. And when Shern was preparing a commercial for Burger King, he went through 2,000 french fries to choose the few that looked good enough to eat.

Color is an important element in making food look appetizing. Lutz blanches vegetables to be sure they are the brightest color possible. Greenberg often adds baking soda to the cooking water—something she would never do if the food were for eating, since baking soda kills many of the nutrients. Some colors, like yellow, fade when photographed, so food stylists often touch up yellow

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Julie Fintel is a communications specialist at the National Restaurant Association.

FECT FOOD

Food stylist Peggy Green

lie Fintel

sly difficult to photograph, a
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k picture perfect.

items with food coloring. And to add a browned and crisped-in-the-oven look to a turkey that has been roasted for only an hour and a half, some stylists turn to Kitchen Bouquet.

Tools of the trade

No food stylist comes to a shoot without at least one fishing-tackle box of tools. "I take half my kitchen," says Lutz. But you'll find more than knives sharpened just right; the traveling kit will also contain items not found in most kitchens: tweezers for arranging single pieces of caviar, a hypodermic needle for adding juice to fruit to make it plumper and a dental injector tool whose curved nozzle is perfect for adding mayonnaise and catsup to burgers.

Green sears meat with a blowtorch and sprays ice cream with freon to make it rock-hard. She will use a glue gun to make chips stand up, make drips out of Karo syrup, patch pie crusts with Crisco and spray olives with an acrylic to make them shiny.

Does this sleight-of-hand make them tricksters? Most stylists say no—because food stylists aren't allowed to add any food items, only to rearrange what's there. In fact, truth-in-advertising laws stipulate that the food being advertised must be the real thing, and the advertiser is not allowed to misrepresent the product. What you see is what you get. A food stylist preparing a stew can't add carrots for color if there are no carrots in the original product. "For example, if I work for McDonald's," says Green, "the hamburger and bun in the photo must be the same thickness as the hamburger and bun sold over the counter at a McDonald's."

Only the food that is used to embellish the advertised product is allowed to be artificial. For example, if the product being advertised is a cake, the ice cream on top of a slice of the cake may be a scoop of shortening or some other surrogate product. If the product is cereal, the milk that the cereal sits in can be, and often is, Elmer's glue, preferred because it will hold the cereal in place and won't make it soggy.

Problem foods

Food stylists agree that ice cream is the most difficult food to work with—for the obvious reason that it melts so quickly. They use dry ice to freeze it as hard as possible; then it's up to the photographer to work as quickly as possible—10 minutes is max.

Many stylists name cakes as next-most-difficult to work with. The cake must be perfectly straight, with top, bottom and all frosting lines horizontal. The icing must hold up well, too.

Greenberg doesn't like to work with drinks, especially the kind with a whipped-cream topping. "You have to get it to sit just right," she complains. Sometimes she is able to substitute a gelatine for the liquid, giving the cream a solid base to sit on.

Meat also presents a special challenge. If cooked too long, it shrinks, and its color becomes uneven. Usually the meat in a photo will be just short of raw on the inside. Hand will sometimes deep-fry meat because it gives a more even color and doesn't leave black spots on the outside. Then she will use a hot screwdriver or skewer to add grill marks.

Not for amateurs

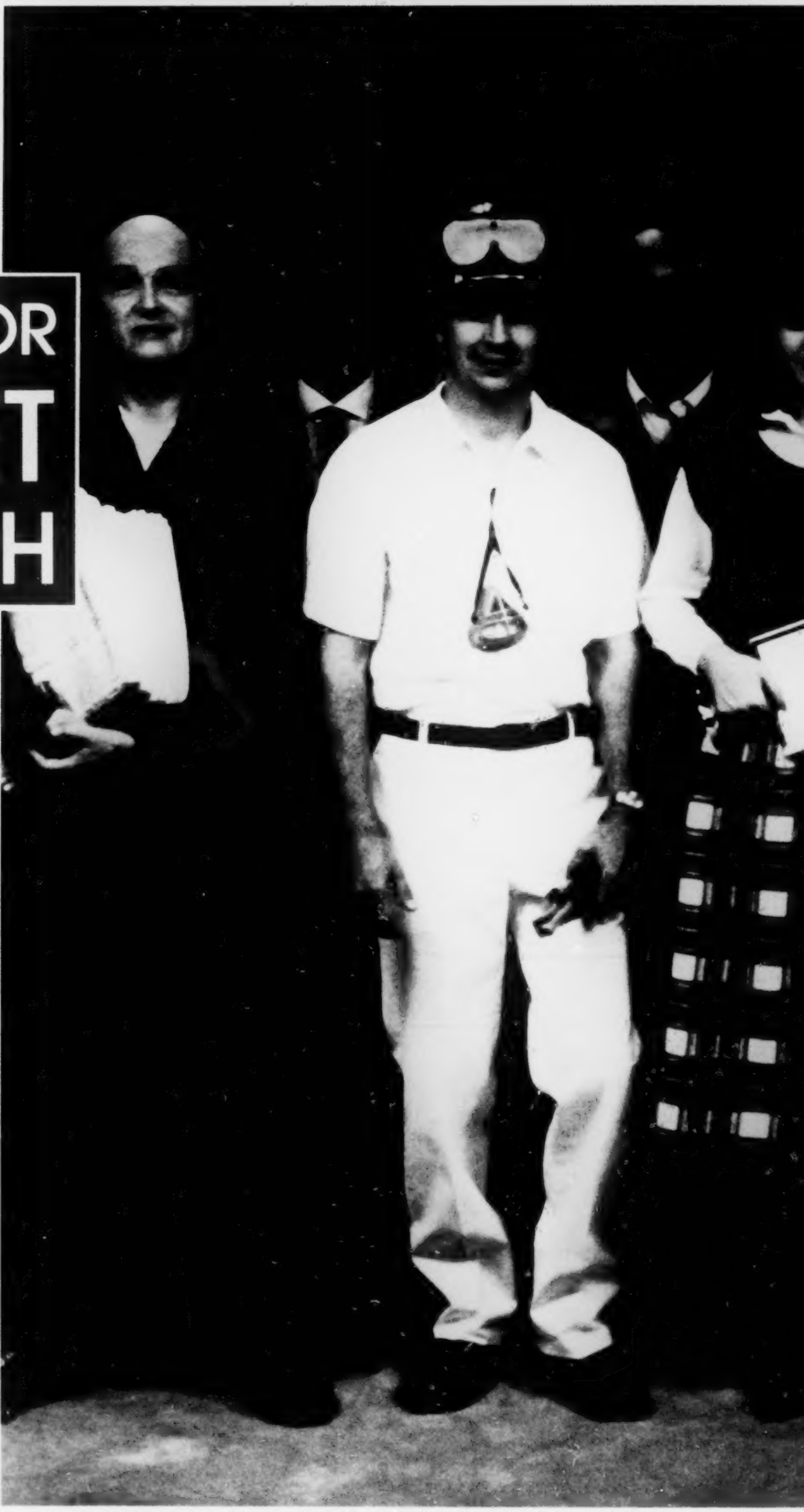
Food stylists agree—if you're ever tempted to do your own food photography—don't. The fact that a dish is delicious and all your customers rave about it doesn't mean it will photograph well. It takes expertise to make food picture-perfect. Remember, in food photography, it's eye appeal, not taste appeal, that counts. ❑

Fake caviar and eyeballs

Although he doesn't bill himself as a food stylist, some of the most unusual food-styling assignments come to Tony Ciolino, chef at the American Festival Cafe at New York City's Rockefeller Center. Because his restaurant is in the same building where the television show "Saturday Night Live" is filmed, Ciolino is often called upon to provide food for the show's comedy sketches. To fill the show's unusual orders, Ciolino improvises. When he was asked to come up with 150 gallons of what had to look like caviar—and be edible too, he blackened tapioca with caramel coloring. And when the order was for eyeballs on baked potatoes for a Halloween skit, baby mozzarella topped with sliced black olives, covered with aspic and then arrayed on a baked potato, filled the bill.

by Gary M. Stern

THE CASE FOR MARKET RESEARCH



Gary Landsman/Uniphoto

When Krystal, a regional hamburger chain of 235 outlets based in the South, decided to enter the breakfast market, it hired a market research firm to test its proposed 69-cent sausage/egg sandwich called Sunriser. The results of this research were critical to the success of Sunriser in the marketplace, helping to determine its price, its ingredients—even the advertising campaign.

Red Lobster, McDonald's, Burger King, Sizzler's, T.G.I. Friday's, and nearly every other nationwide restaurant chain uses market research because the cost of introducing a new product has skyrocketed, advertising costs continue to rise—and as Ted Murphy, former vice president of marketing research and development for Krystal, says, "The cost of failure is much too high." Market research, which includes interviews with focus groups, consumer exit interviews, telephone surveys and mall intercepts (where consumers are interviewed in shopping centers), has become as much a staple of nationwide restaurant chains as cash registers.

Not for chains only

Independent restaurateurs, on the

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other hand, have resisted market research because they say the cost is too high. They usually opt for a more informal approach, which involves communicating with patrons—eliciting feedback on dishes and discussing how their restaurant is doing.

Yet industry experts believe that the number of restaurant failures could be reduced if the market research techniques were more formal. The failure of many restaurants indicates that "someone didn't know his market," declares David Kweskin, senior vice president of Ross-Cooper, a market research firm in Teaneck, New Jersey, that has done market research for Howard Johnson's, Ground Round and Jack in the Box. "There's no question in my mind that the size of the restaurant should not be an inhibitor (to using market research)," asserts Michael Minchin, Jr., executive vice president of Sizzler Restaurants International, Inc., in Los Angeles. "[Yet] most single-unit operators are not good marketers," he contends. They concentrate entirely on the operation of running a restaurant, thoroughly ignoring all marketing possibilities. "They're entrepreneurs, and nobody can tell them what to do. Too often they make horrible mistakes and drive themselves out of business," adds Minchin.

Market research can make the difference between surviving and thriving by helping an establishment reach out to attract new customers previously unaware of the restaurant, keep up with changing restaurant trends and tailor the menu to meet customer needs.

Positioning one's product

"Given today's extremely competitive market situation all over the country, restaurant operators can no longer adopt a 'better mousetrap' approach," explains Chekitan S. Dev, assistant professor of marketing and tourism at the Cornell University School of Hotel Administration in Ithaca, New York. Restaurateurs can no longer rely on cooking the best steak in town and expect customers to beat a path to their doors.

Dev encourages individual operators to become more aggressive in how they "position" their restaurant. "It doesn't matter how good your product is, how expensive your linen and silver are. If no one is walking in the door, the rest is academic," he says. "If your steakhouse is the best in town, but the population is composed of vegetarians, your business may fold," he explains. He points to a local inn in Ithaca that offered excellent food but whose business was faltering. Management hired a local marketing firm to conduct a survey, which showed that most locals had not heard of the inn or didn't know how to get there. A modest advertising campaign offered directions to the restaurant, which helped boost business.

Gary Kurlancheek, director of market research at Red Lobster, whose headquarters are in Orlando, Florida, uses market research to introduce new promotions, try out new products and test its advertising campaigns. Market research has proven so crucial to Red Lobster that he notes, "Even for a restaurant with one or two stores, it's important not only to talk to customers, but also to talk to people in the trade area who aren't your customers—to find out why they aren't your customers."

"Avoiding costly mistakes and designing programs that have greater consumer appeal are the major benefits of market research," avers Michele Schmal, partner in the Restaurant Consulting Group in Evanston, Illinois, which has conducted market research for Chi-Chi's, Krystal and other franchises. While individual operators rely on their gut instincts to determine their menu, decor and pricing, Schmal adds, "market research puts numbers behind the feelings you get from the group. You get quantifiable information."

"You can shoot from the hip, and you can hit the target or miss," says Sizzler's Michael Minchin. Research enables restaurateurs to hit the target more frequently by learning what customers want and how to reach customers. For example, market research enabled Krystal's hamburger chain to learn a wide array of attitudes that consumers associate with its franchises. An outside research firm conducted telephone surveys of as many as 2,000 consumers to determine awareness of Krystal and its advertising campaign, attitudes toward the chain compared to attitudes toward its competitors, and specific ratings in the areas of service, cleanliness and design. In addition, Krystal used focus groups, composed of groups of six to eight people in its target states, for more detailed consumer feedback.

Why should a restaurant owner spend a minimum of $3,000 to conduct market research? David Kweskin of Ross-Cooper says that research firms are hired for the same reasons

More potential guests will be in your restaurant if they *can find you!* So make it easier to find your restaurant. Even if yours is an established restaurant, you could be flattering yourself—and making a costly mistake—to think that your location is so well known that there is no problem.

Tell them

Put your location in each printed advertisement, even if you are mailing to regular guests. In a small community of 10,000, 50 to 100 new families may move in every month. Many of these people will be interested in your restaurant and should be your guests. To encourage them to visit, let them know your street address and *how to reach it.* In larger cities and trading areas, there is an even greater shifting of people. In these areas, it might take new prospective guests up to a year to find you—unless you give some sensible help. And in the meantime they may find your competitor.

Few, indeed, are the people who will make a genuine effort to find your restaurant. They may have heard of it; but unless the location is an obvious one, you are not likely to see them. You must make the prospective guest *want* to reach your restaurant. Do it by letting Mr. & Mrs. General Public know *who* you are, *where* you are, *what* you have to offer them. Do this often to get results.

that someone employs a tax accountant. "Most restaurateurs are so busy running their restaurants that they don't have time to do the job thoroughly." Yet they need to know if patrons are unhappy with their appetizers, wait too long to be served or don't like sitting in hardback chairs.

Market research has its limitations

Despite its obvious benefits, market research does have its limitations. Ted Murphy at Krystal says, "Research cannot give you an answer; it can only help you define alternatives and bring new ideas to the surface."

In fact, Murphy says that "gut responses" continue to play a role in product introductions. Contrary to nutritional trends, Krystal thought the time was ripe for Chili Pup, a chili hot dog. Once the product was developed, Krystal used focus groups to refine ideas. The product has been selling briskly in test-marketing. "Unless you do a lot of upfront thinking in terms of conceptualizing, market research will not work," Minchin contends. Much of the market research for Sizzler's is conducted by its advertising firm, but Minchin says that he hires other companies for their specific expertise in testing, leading focus groups or conceptualizing. The more counsel a company gives the firm, the better the market research will be, he suggests.

Red Lobster's Gary Kurlancheek emphasizes that market research involves "predictive behavior. It's important that the research be reliable and valid." To make it reliable, the questions must be relevant and focused, the sampling must be repre-

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HELP RESTAURANT SHOPPERS FIND YOU

by Alan W. Farrant

You can't wait for new restaurant guests to find you, because in the meantime they may find your competitor.

VERDUGO RD.
AVE. 36
SAN FERNANDO
DRIVE
FLETCHER
EAGLE ROCK BLVD.
VERDUGO ROAD
GLENDALE FRWY
ROAD
OLDEN STATE FRWY

Use landmarks

To determine how easy your establishment is to find, put yourself in the place of a person who has just moved into your shopping area. Start with your street number. Can it be seen from a moving car? And in printed ads is the location clear? It may well be there are two identical numbers—one South, the other North. If this is so, give a sensible clue to your *actual* location: List a cross street, such as 1200 S. Main, two blocks west of Blank Street.

Or you might use some other location, which can't help but be known by everyone. Examples: "One block north of Blank Theater," or "Across from the Post Office."

A huge help in printed advertising is to include a street map. Keep it easy to understand. Show your location in relation to a couple of important streets and put an "X" to mark your spot.

If your location is hard to find, print a map on the reverse side of your business card. On the front of the cards be sure you print the word "over."

If you use radio advertising, give a clear verbal picture of where you can be found. If you offer free parking, be sure to make this known, too.

Announce a new location

It is not unusual for a restaurant to close and move to a new location. If you do move, it is vitally important that you let all customers know the new address—even if it is easy to find.

Print small announcement cards, listing both the old and new addresses. Pass these out well in advance of the actual move.

What should you do when you move out of the old address? Put a sign in the window, one large enough for hurrying motorists to read with ease. Tell your business neighbors of the new address, so they can answer inquiries. And leave some of the announcement cards with them, too. Furnish each neighborhood store with a simple map, one large enough to read easily. This makes it easier for them to direct *your* customer while they take minimum time away from *theirs* to do it.

Once you have moved to your new location, make certain all employees can intelligently give directions.

Your new location needs a good sign, too, so hurrying motorists and pedestrians can read it. Use few letters, but make them large ones.

Finally, never assume the location is obvious. Get the word out clearly and often. ☐

Alan Farrant is a business writer in South Pasadena, California.

sentative of your target audience and enough people must be interviewed to establish validity. A recent Red Lobster survey tabulated 9,000 customers.

Highland Park, Illinois, designer/architect Mark Knauer had an experience with market researchers that he would like to forget. Helping to design a Columbus, Ohio, eatery, a market research firm randomly selected people for four different focus groups to discuss the kind of restaurant that they would like to see open. "Some of the responses from the market research firm steered us in a direction that was slightly misleading from what the true market desired," he divulges. For example, the research firm concluded that the market did not include heavy cocktail drinkers; but when the restaurant eventually opened, a strong cocktail crowd materialized. Asked whether an enclosed outdoor dining facility would appeal to them in wintertime, respondents said it would. In reality, the restaurant owners quickly learned that the enclosed seating proved appealing in warm months but lost its appeal in colder months. "I don't know what went wrong," Knauer wonders, "except that the sampling may not have been a true cross-section of the market." While he considers market research useful, he adds that restaurateurs should be discriminating when interpreting the responses.

David Kweskin of Ross-Cooper recommends that the more the restaurateur can help define the problem, the better the research questions will become. He recommends that owners treat the market researcher as a partner and open up their "information bank." Michele Schmal adds that the best focus groups are the ones that are given very specific objectives. Does the restaurateur want to increase volume, change the menu, discover how many consumers are aware of the establishment? And she adds, "Consumers don't do a great job of inventing items or promotions. They are better at tasting items and reacting to them." ❑

When restaurateurs go snooping

Jim Errant, owner of Chicago Claim Company and Timbers Charhouse, in the Chicago area, prefers his own personal brand of market research. "We feel it's necessary to get together with our customers in a focus-group forum to talk to them about their dining experience—what they like, what they don't like," he says. Each year he invites 12 to 20 customers—some of whom are regulars and some of whom are friends of customers—to enjoy a free dinner in his restaurant. After dinner has been served, Errant asks patrons questions about the food, decor, service. Floor managers are invited to listen. Doing this market research themselves, Errant observes, enables him and his staff to "connect with our customers."

On the basis of several customers' feedback, Errant recently changed his party room's decor to better suit his patrons' taste. Menu items also have been altered on the basis of their responses. He admits that doing market research himself is probably "a little arbitrary," but it works for him. "As long as you approach focus groups professionally and have an open mind, you can make it a positive experience," he notes. Customers, he says, "love being asked their opinions."

Mike Hurst, owner of the Fort Lauderdale restaurant 15th Street Fisheries, and instructor of "Food and Beverage Merchandising" at Miami Florida International University, says he also conducts his own market research. For example, he discovered an Australian delicacy with the unlikely name of "bugs" while vacationing in the Land Down Under and brought it back to his restaurant. He selected regular customers and asked them to taste a free appetizer, without telling them its name. When they said how much they liked the crustacean, which tastes like lobsters without claws, he informed them they had eaten "bugs," and explained more about them. Now the dish is on his menu and has become one of his best sellers. The patrons who tasted it first, he says, feel a sense of "recognition," since they have contributed to the restaurant's menu.

In the best of all possible worlds, foodservice operators and management personnel would intuitively know what motivates customers to select certain menu items or types of dining experiences. But in today's imperfect society, man-made research techniques are the best tools operators have for understanding customer behavior and motivation.

Focus groups, a qualitative marketing technique successfully used for years by large, multi-unit chains, are now also supplying small restaurant chains and independents with important customer feedback—information that is especially important in today's slow-growth market where customers can pick and choose from an array of establishments for any particular type of dining experience.

Information gleaned from focus groups helped Bob Evans Farms turn around sales and realize 18 months of real growth at its Tampa/St. Petersburg (Florida) stores. Focus groups helped Burger King to successfully position its BK Broiler, a flame-broiled chicken sandwich. Focus-group research helped owner and general manager Andy Reis of Cafe Provencal in Evanston, Illinois, boost traffic and sales in the restaurant's Terrace Room. And Royal Sonesta Hotel Boston/Cambridge continues to use insights obtained from a focus group to guide the shaping of new restaurant concepts.

Problem markets

Eighteen months ago Bob Evans Farms, Inc., headquartered in Columbus, Ohio, used information gathered from a series of four focus groups to correct sluggish sales in its Tampa/St. Petersburg, Florida, stores. (This 245-unit restaurant chain prides itself on midscale family dining. Units offer tableservice but no alcohol, and the average check is $4.80 per person.)

Focus-group participants were chosen to mirror the market's customer base as closely as possible and to discover the dining preferences of the

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Jon Feingersh/Uniphoto

FOCUS GROUPS

by Dorothy Dee

FINDING OUT WHY CUSTOMERS ACT THE WAY THEY DO

Foodservice operations are successfully using focus groups to analyze problem markets, move into new ones, correct poor traffic and sluggish sales and to gain customer feedback on new menu items, advertising themes or a change in food, decor or even concept.

area's dominant retirement community.

They were given a cash gratuity to participate in a two-hour focus group during which they were asked to compare the value of dining at a Bob Evans restaurant to that of their favorite establishment, with specific emphasis on the size of the portions and the value of the specials. (All participants had eaten at a Bob Evans Farm restaurant before—some in recent weeks, others a year earlier. Participants falling in the latter category were considered "rejectors" since they had not returned to the establishment in a year.)

Prior to conducting the focus groups, management had identified value for the money and the menu as possible problem areas, but responses during the groups indicated service was another trouble spot. According to Roger Williams, senior vice president, director of marketing for Bob Evans Farms, "In the course of the discussion, service continued to come up as a problem. Once we identified service, we could understand why value was a problem. No food was worth its cost if service was a problem."

The information from the focus groups enabled Bob Evans Farms to make successful changes in its Tampa/St. Petersburg stores, including expanding the senior menu section and adding menu items and early-bird specials. Prices remained unchanged, but the rate of menu-

Focus groups examine the motivation behind human behavior. They examine why people act, not what they do.

price increase was moderated. Identifying customers by Zip Code also allowed the company to maximize the effectiveness of its advertising dollar. Some new management practices were instituted. "We had been used to dealing with our heartland, and we took the new position that we had to earn our reputation—to serve every customer as if he or she were the only customer we were going to get all day," notes Williams.

New product

Although Burger King has included a fried-chicken sandwich as part of its menu for 10 years, trends signaling a declining consumption of beef and fried foods led the fast food chain to introduce the BK Broiler nationwide in February 1990. Focus groups exploring consumer reaction to the product were conducted in several markets across the country. In each market, two focus groups were held—one male and the other female. Participants selected for the focus groups matched the demographic profile for the typical Burger King customer. They were 18 to 34 years old and had an annual income of more than $15,000. In addition, each respondent was a fast food customer who had eaten chicken out in the past few weeks. Respondents were asked to discuss why they go to fast food restaurants, what menu items they eat other than hamburgers, what they found appealing about chicken and what types of words would get them to try a new flame-broiled chicken sandwich.

Barry Schwartz, director of brand and product research at Burger King, thinks the focus-group research helped to successfully position the product. "I think the focus groups helped optimize the introduction of this product," says Schwartz. "We learned things about positioning the product—for example, you don't have to say it is healthy if it is flame-broiled, if you use an oat-bran bun and if you describe it as all white-meat chicken."

So far the BK Broiler has met all the company's sales objectives. During peak periods the company has sold as many as one million BK broilers a day.

Advertising strategy

In 1987, when A&W Restaurants Inc., a 738-unit fast food chain known for its signature root beer, was changing its creative strategy, it used focus groups to identify an appropriate advertising theme.

The company, headquartered in Livonia, Michigan, conducted two focus groups (one male and the other female) in its two largest markets, Detroit, Michigan, and Madison, Wisconsin. The 15 to 20 participants in each group matched the 25 to 49-year-old demographic profile of A&W customers. The research was conducted at a field house in conjunction with the company's advertising agency. Each group was led by a moderator, and a one-way mirror allowed A&W staff and the advertising agency personnel to view the group's discussion.

A&W Director of Marketing Jeanne Chapman says, "The research gave us a clear description of their [partici-

What is a focus group?

A focus group is a body of 10 to 20 people brought together for a one-time meeting of about two hours to discuss some predetermined aspect of a particular establishment.

Professional moderators usually direct the course of the event, instructing participants to fill out a questionnaire or engage in a free-flowing discussion. Moderators can be independent contractors or employees of a full-service market research firm. Organizations known as field houses provide a location complete with a room with a one-way mirror and audio and video monitors. The session can even be videotaped. Field houses also obtain participants, typically through random screening on the telephone.

Focus-group participants are men and women specifically selected to participate in the group because they meet certain criteria. For instance, they might match the demographic characteristics of your establishment's frequent restaurant patrons or even the frequent patrons of an establishment's competitors.

Participants can be recruited in

pants'] perception of A&W and the type of advertising they felt would be most motivational. We came up with a theme line that indicated the customer's perception of A&W, and we have been using it successfully ever since." Chapman says the theme line, "A taste to remember," evokes the customer's memory of past usage of the product while confirming its good taste and quality. It also gives the customer a good reason to return again.

Although the focus groups cost approximately $3,000 each, Chapman believes the money was well spent. "This has been one of the longest-running theme lines we have had in a long time. We had done our homework, and it paid off."

Revamping an image

The Royal Sonesta Hotel Boston/Cambridge in Cambridge, Massachusetts, a 400-room luxury hotel on the Charles River, continues to use 1984 focus-group input to attract customers to its foodservice operations and keep in step with the changing pace of the neighborhood.

Back in 1984 when the hotel was being remodeled, management used focus groups to update and rename its second-floor restaurant, the Rib Room, an 80-seat steakhouse establishment and one of only a few restaurants with a view of Boston and the Charles River.

Bruce Wagoner, then director of advertising for Sonesta International Hotels Corporation and now with the Copley Plaza, remembers, "Business was not good. There was an incongruity between the name, atmosphere and menu of the restaurant."

Saul Cohen, owner of Saul Cohen & Associates, Ltd., Stamford, Connecticut, was called in to moderate a series of four focus groups and make recommendations to the hotel. "They were changing the restaurant from a meat-and-potatoes place to an upscale, high-caliber place. They wanted a reaction to the menu, service, food, general ambience, decor and the name of the restaurant," he says.

A recruitment-research facility recruited people in the Boston area to dine at the Rib Room and then return to the hotel at a later date to discuss their dining experiences. Some participants had dined at the Rib Room before, and some had not. Many were business executives who had conducted business at the restaurant previously. For participating in the research, people were given the choice of $125 cash gratuity or a gift certificate of greater value for a subsequent dinner for two at the restaurant.

Participants were asked to rank a series of five or six statements according to the degree of their importance in persuading them to eat at the restaurant. Participants were exposed to a variety of new names for the restaurant and asked about the length of time they would prefer for a fine-dining experience. Information obtained from the focus groups led to renaming the restaurant the "Riverfront" and redesigning the menu. The decor was changed from red and black to pastels, French service was instituted and a harp player was added to provide entertainment in the evening.

many ways. For instance, field houses might recruit participants through random telephone screening through the phone book or from a data base of lists of thousands of willing focus-group participants. Shopping malls are also fertile ground for gathering participants, and some restaurants obtain participants from their reservation lists or their data base of patrons. Participants receive a cash gratuity, which usually ranges from $25 to $35; in certain markets the fee can go as high as $125. In lieu of cash, some foodservice establishments, especially upscale independents, offer dinner for two at their establishments.

To provide a representative sample of responses, two to four focus groups are usually held, each with a new set of participants. Focus groups are usually segregated by sex, with all members of one sex in one group.

Focus-group research costs range from $3,000 to $5,000 per session, with $3,400 as an average. Operators can expect to wait at least one month for the results: It takes one week to discuss objectives and to outline and recruit location and people; one week to conduct the sessions; and two weeks to evaluate the research and write the report.

"I think it is really informative to sit behind a glass screen and hear other people talk about what you have to offer."

Dan Little, vice president and general manager of the Royal Sonesta Hotel says, "The key to the focus groups came out loud and clear. We found that food, ambience and decor were second to the view. The view of the river was significant and that we should emphasize it."

Six years later, the Sonesta is still emphasizing the view, although the Riverfront, closed to the general public since November 1989, is now only available for private parties and as a meeting room. A new casual restaurant with a glass-enclosed greenhouse atmosphere, deck and view of the river is slated to open in early 1991.

The changing character of the neighborhood led Sonesta to initiate a change in the style of its foodservice operation. Little explains: "Previously the Sonesta had been an oasis on the Charles, but in September a 100-store shopping mall will open across the street. And in the last two years, three luxury condominiums have been erected around the hotel. All of a sudden it made sense to create a fun neighborhood place rather than a hotel cocktail lounge to attract diners to outlets in the hotel."

When to use a focus group

Focus groups examine the motivation behind human behavior. They examine why people act, not what they do. Restaurant market research analysts know that repeat traffic depends on more than the quality of the food and service, including customer feelings and emotions associated with the dining experience. Christiaan de Brauw, executive vice president of Creative and Response Research in Chicago, says repeat patronage often centers on the phenomenon of "buying share of mind," a tactic that large chains have mastered to perfection. "If you drive by a building and if at that moment you have some evoked set of memories, you have bought a share of mind—feelings and associations about the place. This is what a lot of marketing is about. You have to create a situation where people get some self-reward from choosing your establishment."

Focus groups are best utilized when restaurant management has identified a specific issue or problem and developed a sound hypothesis. Tom Wirt, executive vice president of marketing at Bakers Square Restaurants, Matteson, Illinois, says, "You are not really getting answers but getting direction. You want to know what you are looking for."

A liability becomes an asset

Focus-group research conducted in 1986 helped Cafe Provencal, an 80-seat French restaurant with French service and country French decor in Evanston, Illinois, increase traffic and boost sales by filling seats in the restaurant's Terrace Room. The restaurant turned to focus-group research after earlier types of research failed to accomplish the goal.

A market research firm conducted two focus groups (one male and the other female) for Andy Reis at an advertising agency in Evanston. Each focus group consisted of about 12 participants who were given a gift certificate for dinner for two—an estimated value of about $80. A professional moderator led the discussions.

According to Reis, the results were so obvious that he didn't even ask for a written report. "We found out two key things," he notes. "Our dining room is in two parts: one is the Terrace Room, with glass tables and porch furniture; the other has wood paneling and a fireplace. We found that people were uncomfortable in the more casual room. We also found out that our customers wanted valet parking, even though there was already parking on the street and in a garage nearby."

To solve the problem, Reis remodeled the Terrace Room. He brought in long bench seats, new chairs and tables, covered walls with green fabric and the ceiling with green tile, and added lace curtains to cover the garden window. Valet parking was also instituted.

Reis believes the $3,500 spent on the focus groups was a worthwhile investment. "We now have people requesting that room again," he says.

He advises other independents suffering from slow traffic or sales problems to try this type of research. "I think it is really informative to sit behind a glass screen and hear other people talk about what you have to offer," he notes. "But you can't be defensive. You have to listen and listen carefully. What they say is gospel."

Pitfalls to watch for

Focus-group research can be tricky, however. Operators should be careful to limit the discussion to a few key points, to target participants to their customer base as closely as possible, to refrain from taking all answers literally and to hire a professional moderator to manage the dynamics of the group discussion. Professional moderators possess techniques for controlling group dynamics. This allows dominant respondents who might sway the group and taint the nature of responses to retreat into the background so the ideas of other, less-dominant respondents can surface.

Selecting the right participants may be the most critical aspect of focus-group research. Operators may find responses colored by the types of participants willing to take part in the research. For instance, Bakers Square Restaurants in Matteson, Illinois, often has difficulty attracting its most-frequent customers to participate in research. Executive vice president of marketing Tom Wirt explains, "When you are dealing with 10 people, your sample is small, limited and, to some degree, self-chosen. It represents people who are available. Our restaurant customers—with higher education and income—are hard to get. Although we do get a few here and there, typically we get more midscale participants in our focus group. They can be more price-sensitive. So you have to know who is in the group and adjust your answers a little bit. The worst danger is to take the answer literally."

Ronald E. Clarke, senior partner of Restaurant Research Associates in Tustin, California, urges operators to carefully evaluate price/value information obtained from focus groups. "Focus-group participants have a real interest bias; they are more money oriented. You may get an overread on coupons and other pricing issues. Value can be elusive." ❑

#109

Oxymorons I have known

An oxymoron is a phrase that combines contradictory or incongruous words. Some examples are "cold fire," "hot ice," "married bachelor" and "small giant." You get the point.

On occasion, however, an oxymoron can convey an insightful meaning that highlights the intensity of the message that is being conveyed. If I describe someone as a "forward-looking historian," you have a pretty good sense of the meaning I intend to convey.

Here are some oxymorons I have assembled over the years. I thought you might find them intriguing or amusing.

1. "He is an efficient bureaucrat."
2. "We need to strategize tactics."
3. "His ideas are refreshingly stale."
4. "He works hard at being lazy."
5. "It's approximately accurate."
6. "He was given a downward promotion."
7. "This is the preliminary final report."
8. "He's a dejected optimist."
9. "He's humbly egotistical."
10. "He'll always give you a definite maybe."
11. "They were chillingly receptive."
12. "He's a silent communicator."
13. "He was articulately disorganized."
14. "She's a divisive peacemaker."
15. "He's a well-trained neophyte."
16. "He's always pleasantly morose."
17. "He is willing to compromise to the extreme."
18. "They were obviously subtle."
19. "We are requesting precise estimates."
20. "We have to build in some tightly structured flexibility."
21. "He's a popular recluse."
22. "He's a consensus-seeking authoritarian."
23. "He's a dumb know-it-all."
24. "His forecast was pessimistically upbeat."
25. "He is best known for his brash deliberations."
26. "She exhibits unbridled predictability."
27. "He is a master of muted hyperbole."
28. "At least they are friendly enemies."
29. "He's a passive activist."
30. "He's a wealthy bum."
31. "It was well-planned chaos."
32. "He showed restrained enthusiasm."
33. "She's personably impersonal."
34. "It was genuinely fake."
35. "They are always agreeably uncooperative."
36. "We need to shorten our long-term projections."
37. "He spoke with unfocused clarity."
38. "He remained noticeably anonymous."
39. "It was a fortunate accident."
40. "He is unerringly wrong."
41. "It is an open secret."
42. "He has a reputation of being wafflingly decisive."
43. "They are sightless visionaries."
44. "That program is inordinately complex in its simplicity."
45. "It's a well-researched theory."
46. "They are best known for their steely sensitivity."
47. "There is an unstable calm in that organization."
48. "He's treacherously loyal to his superiors."
49. "They are widely acclaimed nonentities."
50. "You've heard of a manager's manager? Well, he's a manager's nonmanager."

Fisher's Law #109: You will never be able to prove that the basic decile system we use (numbers based on the order of ten) is itself in numerical order.

IF YOU'RE NOT RECYCLING YOU'RE THROWING IT ALL AWAY.

Fish & seafood update

Orders for fish and shellfish entrees captured one out of every 20 restaurant orders in 1989, unchanged from 1988. Orders for fish and seafood, however, have increased at midscale restaurants, where the majority of fish/seafood entree orders occur, and they have decreased at quickservice establishments.

Share of total fish/seafood orders

Midscale restaurants capture most orders for fish and shrimp, while upscale establishments are responsible for the majority of other shellfish orders

	Orders			
Segment	**Total fish/ seafood**	**Total fish**	**Total shrimp**	**Total other shellfish**
Quickservice	29%	37%	18%	14%
Midscale	41	40	45	35
Upscale	30	23	37	51
	100%	100%	100%	100%

Source: NPD/CREST Annual Household Report, 1989

According to the USDA Economic Research Service, per capita consumption of fish and seafood remained unchanged between 1986 and 1989—wavering around 15 pounds per person.

According to CREST,* the share of fish/seafood orders (the percent of occasions on which an item is ordered) was at 5 percent of total restaurant orders in the first quarter of 1990—the same proportion as in 1988 and 1989. CREST data indicate that fried fish captured the majority of fish and seafood orders at restaurants, followed by broiled/baked/grilled or raw fish and fried shrimp.

Most orders at midscale restaurants

Midscale restaurants captured the most fish/seafood orders—41 percent of orders in 1989, compared to 30 percent at upscale establishments and 29 percent at quickservice units.

The percentage of fish/seafood orders at midscale restaurants registered gains between 1984 and 1989, up from 8.5 percent in 1984 to 9.3 in 1989. In addition, the number of orders for fish and seafood advanced 4 percent in 1989, compared to an increase of less than 1 percent for all orders in midscale restaurants. However, in the first quarter of 1990, fish/seafood orders were down 4 percent, compared to 1989's first quarter.

In 1989, fish represented 56 percent of midscale fish/seafood orders, shrimp 29 percent and other shellfish 15 percent.

A look at upscale eater occasions**

In 1989 fish and seafood were consumed on 20 percent of upscale eater occasions and 28 percent of occasions in higher-check upscale restaurants. Fish and seafood orders in upscale restaurants have remained relatively stable over the past five years—approximately one out of every five orders.

Not surprisingly, a higher percentage of orders for shellfish other than shrimp occurred at upscale restaurants, compared to midscale and quickservice establishments—31 percent of upscale fish/seafood eater occasions were for other shellfish. At upscale restaurants, broiled/baked/grilled or raw fish was twice as popular as fried fish.

Smallest percentage of orders at quickservice

Although fish/seafood has enjoyed growing popularity at midscale restaurants, quickservice restaurants have seen a decline in the number of seafood orders—down by nearly 4 percent between 1988 and 1989. Of all quickservice restaurant eater occasions in 1989, only 2.2 percent were for fish or seafood.

In 1989, nearly seven out of 10 quickservice fish/seafood orders were for fried fish, and the majority of the remainder was for fried shrimp or other shellfish.

Sandwiches popular

In addition to fish and seafood entrees, fish/seafood sandwiches represented about 2 percent of all restaurant orders in 1989, one-third of which were for fried items. Eight percent of orders at fast food fish/seafood restaurants involved a fish/seafood sandwich, 6 percent at midscale fish/seafood establishments and 3 percent at both fast food sandwich and hamburger restaurants.

Traffic declines

Between 1982 and 1987, customer counts at seafood restaurants underwent a slow, steady growth. However, with the exception of moderate-check upscale seafood places, traffic has been declining since 1987.

Moderate-check upscale seafood restaurants fared well between 1987 and 1989, with traffic advancing 8 percent. However, traffic at midscale seafood houses was down by more than 10 percent, and quickservice seafood restaurant traffic dropped 6 percent.

Takeout was more prevalent among quickservice and midscale seafood restaurants between 1987 and 1989. Takeout orders rose from 38 to 43 percent of all orders at quickservice restaurants and from 14 percent to 16 percent at midscale seafood places. The share of takeout orders at upscale seafood restaurants was virtually unchanged—less than 5 percent.

Fish/seafood popular with mature patrons

According to a 1988 National Restaurant Association/CREST study, fish and seafood are popular with mature patrons, especially nonfried varieties. Patrons 55 years old and older accounted for 36 percent of all fish and seafood orders.

Mature patrons were especially fond of nonfried fish and seafood. Forty-two percent of orders for nonfried fish/seafood were by patrons older than 55, and 49 percent for customers 25 to 54 years of age.

Most orders during dinners and on Friday

According to the association/CREST study, the majority of fish/seafood is consumed at dinner. In 1988, 74 percent of shrimp orders were at dinner, as were 73 percent of orders for shellfish other than shrimp and 66 percent of fish orders.

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*CREST stands for Consumer Reports on Eating Share Trends, a diary survey conducted by one of the NPD marketing and research companies

**an eater occasion is one meal eaten by one person

Percentage of orders by day of week

Friday captures more fish/seafood orders than any other day

Day of week	Fish/seafood orders	Total orders
Monday	8%	11%
Tuesday	9	12
Wednesday	10	13
Thursday	11	13
Friday	28	18
Saturday	20	19
Sunday	14	14
	100%	100%

Source: 1988 National Restaurant Association/CREST special study

Fried fish and seafood were more popular at lunch than nonfried varieties.

Almost three out of 10 fish and seafood-eating occasions occurred on Friday, compared to a lower 18 percent for total restaurant orders. Saturday and Sunday ranked second and third, respectively.

Most Americans likely to try fish/seafood

According to a 1989 National Restaurant Association study, *Attitudes Toward Nutrition in Restaurants: Assessing the Market*, 78 percent of adult Americans indicated they were likely to order broiled or baked fish or seafood in a restaurant, compared to the 81 percent likely to order lean meats, the 75 percent steak or roast beef and the 74 percent poultry without skin.

Fifty-seven percent said they were likely to order fried fish or seafood, compared to the 53 percent who would order fried chicken. Fifteen percent of respondents said they would order raw fish or raw shellfish in a restaurant.

Broiled or baked fish/seafood was equally popular with men and women. Eighty percent of males and 77 percent of females said they were likely to try it.

According to the association study, 69 percent of respondents preferred broiled foods to fried foods. In addition, CREST data indicate that although the number of orders for fried fish declined by 4 percent between 1988 and 1989, the number of orders for nonfried fish increased by more than 1 percent. Similarly, the number of orders for fried shellfish declined over the same time period while orders for nonfried shellfish advanced.

Why consumers enjoy eating fish and seafood in restaurants

According to a 1988 focus-group study conducted by the U.S. Department of Commerce and the National Fish and Seafood Promotional Council, people order fish and seafood in a restaurant because

☐ they trust the restaurant selects the freshest fish and seafood available

☐ they prefer fish and seafood over poultry or meat

☐ they do not want to feel bloated after a meal

☐ they want a change of pace from the foods they usually prepare at home

☐ it's cheaper to order one serving of fish or seafood rather than a quantity for the entire family

☐ the restaurant has skill in preparation that is difficult to duplicate at home

☐ they don't like the "fishy" smell in their homes.

The study also reports that consumers generally stick with types of fish that are familiar to them; only occasionally do they venture into ordering a variety never tasted. A recommendation by the waiter or maitre d' may lead to greater risk-taking of an untried variety as well as restaurants offering half-portions of unfamiliar types of fish as appetizers. The "catch of the day" is also a good marketing tool and suggests a price special to most consumers.

Safety tips for handling fish/seafood

Although the Centers for Disease Control cite fish and seafood as the cause of a small number (5 percent) of foodborne illness outbreaks, knowing how to handle fish and seafood can help avoid spoilage problems. Here are a few general guidelines to follow:

☐ Fish and seafood can have a slight seaweed scent, but should never smell "fishy."

☐ Live shellfish should be either tightly closed or should close when tapped firmly. Shells that do not close when tapped should be discarded.

☐ Fresh fish should have full, bulging eyes, red or pinkish-red gills with a fresh smell, and moist, shiny and unbruised skin.

☐ Fresh fish should be kept refrigerated at all times. Frozen fish should be thawed in the refrigerator.

☐ Before and after handling raw seafood, hands should be washed with hot soapy water.

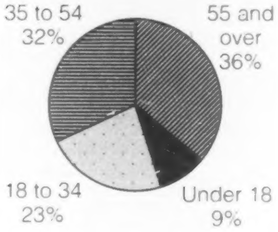
☐ Seafood should be marinated in the refrigerator, never on the counter.

☐ Seafood should be purchased from reputable sources. The shellfish tags or labels should be checked to show that the product came from certified waters. (Note: tags must be retained for 90 days.)

Source: The National Fish and Seafood Promotional Council

Fish/seafood consumption [illegible]

Seafood in restaurants is popular with adults



Percent of eater occasions

Source: 1988 National Restaurant Association NPD/CREST survey

Fish/seafood outlook

The National Fisheries Institute has adopted a goal to raise per capita consumption of fish/seafood from 15 pounds in 1988 to 20 pounds by 2000—an increase that requires a 40 percent gain in supplies and product movement over the next 10 years. Moreover, the institute says it will make an effort to heighten consumer confidence and awareness about fish and seafood through an extensive advertising and promotional campaign.

How will increased consumer demand for fish and seafood be met? Greater reliance on aquaculture will improve the overall distribution of seafood.

Also there is a continuing trend to expand the number of fish species that are familiar to Americans.

—Elizabeth Gordon

Census data indicate source of eating-place revenue

The recently released report, 1987 Census of Retail Trade Merchandise Line Sales, *provides a detailed breakdown of sales at retail establishments, restaurants including tableservice,* cafeterias and fast food** places. It shows that eating places continued to be number-one in sales of meals and snacks in 1987. In addition, the report confirms that eating places are responding to a growing preference for off-premises meals and that consumer cutbacks in alcoholic-beverage consumption have had a significant effect on restaurants selling these beverages.*

Despite concern about competition for the away-from-home food dollar from grocery stores, convenience stores and other purveyors, the *1987 Census of Retail Trade Merchandise Line Sales* report substantiates that eating places maintained their number-one position in sales of meals and snacks among retailers. More than 91 percent of retail sales of meals and snacks were attributed to eating places in 1987, virtually identical to the 1982 figure. Miscellaneous retail stores*** followed a distant second, accounting for nearly 4 percent of meal and snack sales in 1987, and food stores were third with 2 percent of meal and snack sales.

In terms of meal and snack sales at eating places, fast food restaurants outstripped tableservice restaurants for the first time in 1987, contributing $55.9 billion or 44.3 percent of the total volume. Tableservice restaurants were a close runner-up, selling $55.3 billion—or 43.9 percent—in meals and snacks in 1987. They were followed by other eating places ($11.1 billion or 8.8 percent) and cafeterias ($3.7 billion or 2.9 percent).

Among the remaining merchandise lines, alcoholic drinks were the second-largest contributor to sales, accounting for $11.1 billion in sales at eating places. Nonmerchandise receipts were the third-largest contributor, posting a total of $734.6 million in revenue.

Off-premises meals and snacks

Analysis of data from both the 1982 and 1987 *Merchandise Line Sales* reports indicate that between 1982 and 1987 both the sales and number of units offering meals and snacks for off-premises consumption grew at a faster pace than meals and snacks for on-premises consumption at tableservice restaurants, cafeterias and fast food places.

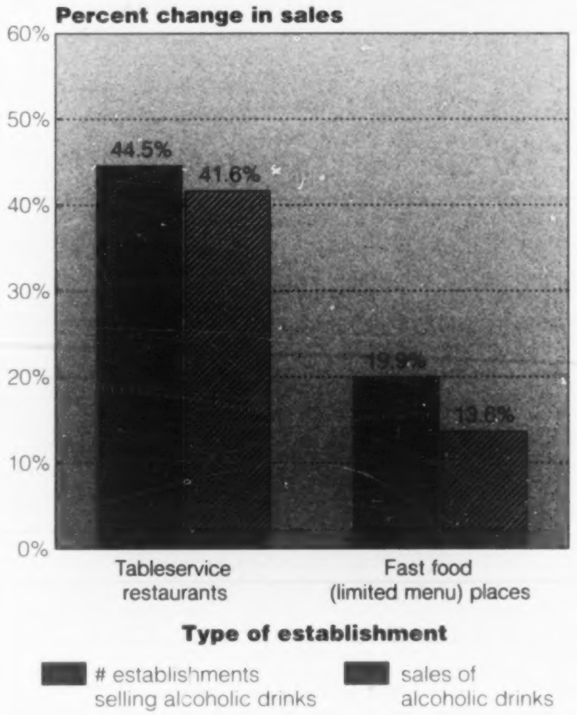
For example, the number of tableservice restaurants that offered meals and snacks for off-premises consumption jumped 77 percent from 1982 to 1987, growing from 33 percent to 45 percent of all tableservice restaurants. During the same period, the total number of tableservice restaurants that sold on-premises meals and snacks grew at a lower 26 percent.

At the same time, sales of off-premises meals and snacks at tableservice restaurants more than doubled from $1.6 billion to $3.4 billion. Sales of meals and snacks for on-premises consumption at restaurants and lunchrooms posted a lower 37 percent growth.

Fast food places also showed similar growth patterns. In fact, the number of fast food places selling meals and snacks for off-premises consumption actu-

Change in sales of alcoholic drinks at fullservice and limited menu [illegible]

Sales of alcoholic drinks at restaurants and lunchrooms and fast food places did not grow as fast as the number of establishments selling them



Source: U.S. Department of Commerce, *Census of Retail Trade, Merchandise Line Sales*, 1982 and 1987

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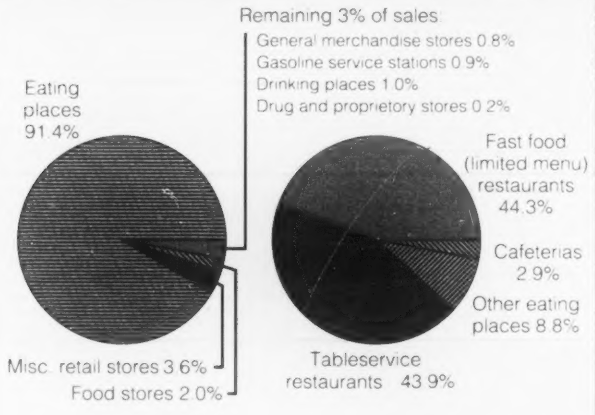
* includes SIC 5812 pt. code "restaurants and lunchrooms"

** includes SIC 5812 pt. code "refreshment places"

*** includes liquor stores, miscellaneous shopping goods stores and nonstore retailers, such as merchandising machine operators and direct selling establishments

Where are meals and snacks sold?



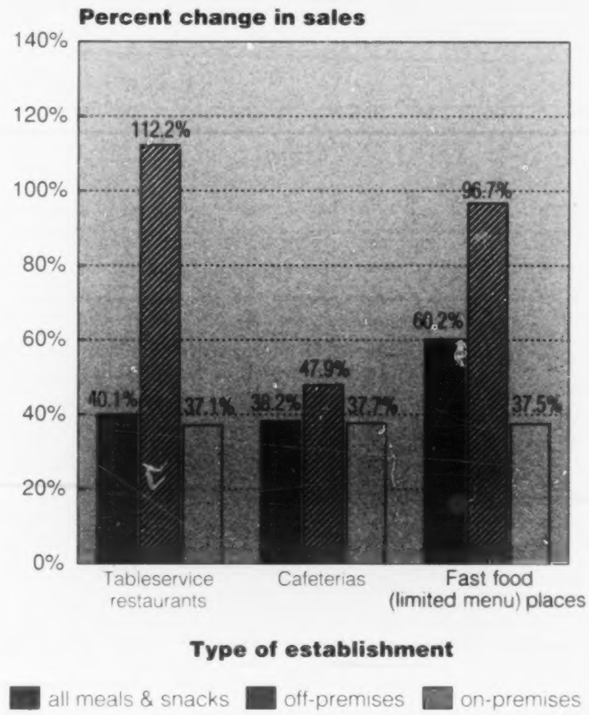
% of total meal and snack sales, 1987 by outlet

% of meal and snack sales at eating places, 1987 by establishment type

Source: U.S. Dept. of Commerce, *Census of Retail Trade, Merchandise Line Sales*, 1987

Percent change in sales of on- and off-premises meals and snacks, 1982-1987

Sales of off-premises meals and snacks grew at a faster pace than those eaten on-premises



Source: U.S. Department of Commerce, *Census of Retail Trade, Merchandise Line Sales*, 1982 and 1987

ally exceeded the number of those selling meals and snacks for on-premises consumption—114,263 to 113,464. The number of fast food places selling meals and snacks for off-premises consumption grew 39 percent between 1982 and 1987.

Even more astounding is the growth in the number of fast food places that sell meals and snacks exclusively for off-premises consumption, such as delivery or takeout pizza restaurants and walk-up frozen custard or yogurt places—up 71 percent from 14,418 in 1982 to 24,640 in 1987. At the same time, the number of fast food places selling meals and snacks for on-premises consumption advanced a lower 20 percent.

Sales of off-premises meals and snacks at fast food places showed substantially more growth than sales of meals and snacks for on-premises consumption. Off-premises sales of meals and snacks nearly doubled from 1982 to 1987, while sales of meals and snacks for on-premises consumption grew a lower 38 percent. Sales at fast food places that deal solely with off-premises consumption of meals and snacks also doubled.

Cafeterias were the only component of eating places that showed a larger increase in the number of units selling food for on-premises consumption than for off-premises consumption (22 percent compared with 15 percent). Similar to both tableservice restaurants and fast food places, however, sales of meals and snacks for off-premises consumption advanced by a larger margin than sales of meals and snacks for on-premises consumption (48 percent compared with 38 percent).

A look at alcoholic drink sales

Among eating places, tableservice restaurants sold the largest share of alcoholic drinks. More than 88 percent—$9.8 billion—of eating-place alcoholic-drink sales, totaling $11.1 billion, came from tableservice restaurants in 1987. In comparison, fast food places accounted for $542.0 million, about 5 percent, and cafeterias reported sales of $38.8 million.

A larger proportion of tableservice restaurants reported sales from alcoholic drinks in 1987 (57 percent) than in 1982 (50 percent). The number and proportion of cafeterias selling alcoholic drinks also increased between 1982 and 1987—from 12 percent to 13 percent. The proportion of refreshment places selling alcoholic drinks declined over the five-year period—from 13 percent to just over 12 percent, although the actual number doing so increased marginally—from 14,204 to 17,030.

Although the number and proportion of units selling alcoholic drinks increased from 1982 to 1987, the proportion of sales they contributed to unit sales for the establishments in which they were sold actually declined. For tableservice res-

Breakout of merchandise line sales, 1982 and 1987

Item and establishment type	Number of establishments selling item		Sales from item ($000)		Percent item sales of total sales*	
	1982	**1987**	**1982**	**1987**	**1982**	**1987**
Meals and snacks						
☐ Eating places	258,584	332,611	$84,073,365	$126,081,501	90.2%	90.5%
☐ Restaurants & lunchrooms	122,851	154,721	39,491,990	55,343,207	83.8	83.4
off-premises	39,867	70,358	1,616,329	3,430,165	12.1	13.1
on-premises	122,674	154,031	37,875,661	51,913,042	80.5	78.5
☐ Cafeterias	6,029	7,297	2,682,319	3,707,899	97.9	98.1
off-premises	1,944	2,238	140,789	208,178	24.7	26.2
on-premises	5,771	7,044	2,541,530	3,499,721	95.0	94.7
☐ Refreshment (fast food) places	109,353	138,104	34,880,206	55,889,205	97.8	98.3
off-premises	82,438	114,263	13,386,295	26,329,183	48.9	54.8
on-premises	94,935	113,464	21,493,911	29,560,022	65.2	58.6
Alcoholic drinks						
☐ Eating places	76,693	108,272	$ 7,775,439	$ 11,124,153	21.9%	19.7%
☐ Restaurants & lunchrooms	60,821	87,862	6,951,048	9,840,984	23.2	20.7
☐ Cafeterias	743	951	29,367	38,766	10.5	8.8
☐ Refreshment (fast food) places	14,204	17,030	477,120	542,038	11.5	9.4
Service charge receipts						
☐ Restaurants & lunchrooms	n/a	1,061	n/a	$ 40,848	n/a	5.2%
☐ Cafeterias	n/a	80	n/a	2,146	n/a	5.0
Amusement-machine receipts						
☐ Restaurants & lunchrooms	n/a	6,443	n/a	$ 43,029	n/a	1.5%
☐ Refreshment (fast food) places	n/a	5,727	n/a	104,414	n/a	4.8

**expressed as percent of sales of those establishments with sales from the specified item*
n/a=not available, because data for service charge receipts and amusement machine receipts were not detailed in 1982

Source: U.S. Department of Commerce, *Census of Retail Trade Merchandise Line Sales*, 1982 and 1987

taurants selling alcoholic drinks in 1982, revenues from these beverages represented 23.2 percent of total unit sales. In 1987 that proportion declined to 20.7 percent. This decline in sales contribution also occurred at cafeterias (down from 10.5 percent of sales to 8.8 percent) and fast food places (down from 11.5 percent of sales to 9.4 percent).

Although the drop in contribution to total sales may not seem like much, when calculated to a dollar value, the drop in alcoholic-beverage sales at tableservice restaurants between 1982 and 1987 is remarkable. If their contribution to sales had remained at 1982 levels, sales of alcoholic drinks would have totaled more than $11.0 billion—a difference of nearly $1.2 billion from actual sales in 1987. On a per establishment level, this lower sales contribution may have made a difference in whether a net profit or net loss occurred in a specific operation.

In 1982 the average sales per unit of alcoholic beverages totaled $114,287 for tableservice restaurants. In 1987 the average sales of alcoholic beverages declined to $112,005 per unit—a drop of 2 percent. If sales of alcoholic beverages had contributed the same 23.2 percent to total sales in 1987 as they had in 1982, sales would have increased $13,528 per unit. Therefore, sales per unit of alcoholic drinks would have totaled $125,532 for tableservice establishments, a 9.8 percent gain from 1982 sales per unit as opposed to the 2 percent decline that actually occurred.

Nonmerchandise receipts

Service charges. Although many restaurateurs have concerns about the merits of using a service charge for all tableservice business, some operators use them for banquets and/or large parties.

Data indicate that 1,061 restaurants and lunchrooms reported receipts from service charges in 1987. Although this represents less than 1 percent of the units, these receipts accounted for $40.8 million in 1987 or 5.2 percent of sales at the establishments where they were used. Slightly more than 1 percent of cafeterias indicated having receipts from service charges in 1987 where they contributed 5 percent of sales.

Amusement-machine receipts. "All work and no play" may not only make a person proverbially dull, but may be a missed sales opportunity for operators of tableservice restaurants and fast food places. Four percent of tableservice restaurants and an equal proportion of fast food places reported amusement-machine receipts in 1987. These receipts accounted for 4.8 percent and 1.5 percent, respectively, of sales at fast food and tableservice restaurants that had them.

—*Nancy Michalski*

New profile of dairy-products consumption

Per capita consumption of dairy products (excluding butter) reached nearly 286 pounds in 1988, up 1.2 percent since 1981. The wide variety of dairy products available makes them popular with many consumers.

If consumption figures are any indication, dairy products—fluid milk, cheese, ice cream, ice milk, cottage cheese, and frozen and refrigerated yogurt—are popular with many consumers. In fact, according to the United States Department of Agriculture (USDA), consumers ate nearly 286 pounds of dairy products per capita in 1988—more than double the 122 pounds of red meat (beef, veal, lamb, mutton and pork) consumed per capita that same year.

The changing face of dairy products

There was a time when consumption of dairy products was limited to milk and perhaps a few other products, such as cheese and ice cream. And fluid milk remains by far the largest component of total dairy products consumed—78 percent (down from 82 percent in 1981). But as demand and technology have advanced, new products have become more available—products such as ice milk and frozen yogurt—and with their availability has come consumer acceptance.

Much of the 4-percent decline in fluid-milk consumption came from a sharp drop in whole-milk consumption. Between 1981 and 1988, per capita consumption of whole fluid milk plummeted 24 percent—from nearly 140 pounds per person to just more than 106 pounds per person. At the same time, however, consumption of both low-fat and skim milks showed increases. Low-fat-milk consumption grew 24 percent—from 82 pounds to nearly 102 pounds per person, and skim-milk consumption skyrocketed 43 percent—from more than 11 pounds to more than 16 pounds per person.

Other dairy products also showed growth in consumption during that period. Cheese consumption increased nearly 30 percent—from 18.2 pounds per person in 1981 to 23.6 pounds per person in 1988. Yogurt consumption was up 84 percent—from 2.5 pounds per person to 4.6 pounds per person, and ice-milk consumption grew 13 percent—from 7 pounds to 7.9 pounds per person. As was indicated by declining whole-fluid-milk consumption, concerns about fat may have had a dampening effect on per capita ice cream and butter consump-

Ordering of dairy foods

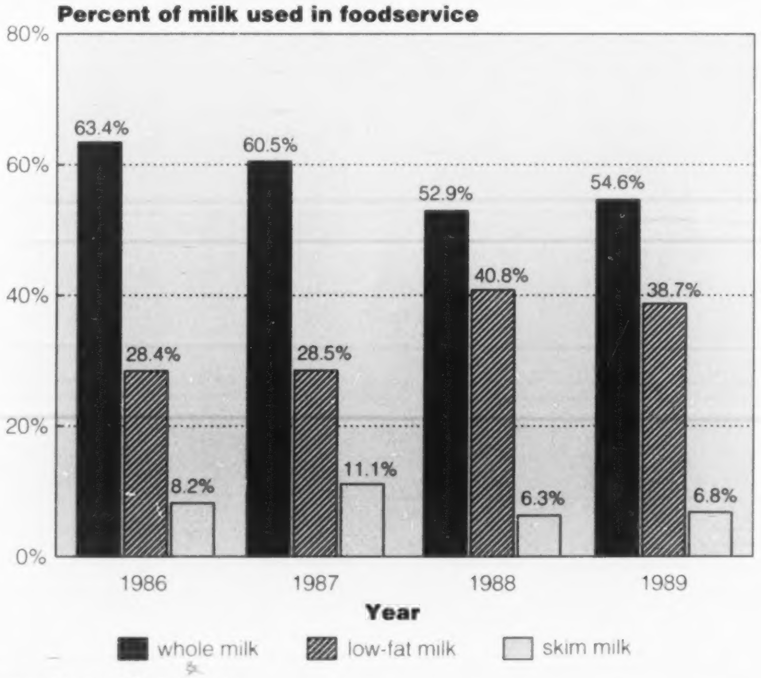
Premium ice cream was the top dairy item on the list among adults surveyed

Dairy product	**Percent of adults ordering**
Premium ice cream	53%
Low-fat frozen yogurt	50
Cereal served with skim or low-fat milk	41
Low-fat cottage cheese	38
Bagels or breads with low-fat cream cheese	37

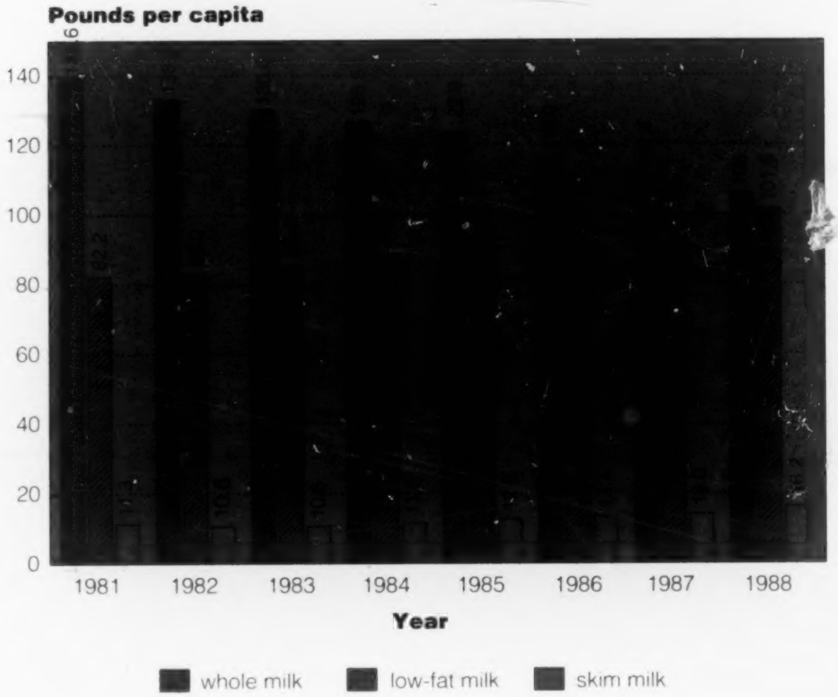
Source: National Restaurant Association, *Attitudes toward Nutrition in Restaurants*

Milk use in the foodservice industry by type, as percent of total volume used

Foodservice has shown an increased use of low-fat milk



Source: National Dairy Board



Per capita consumption of whole milk has declined, while per capita consumption of low-fat and skim milk has increased

Source: U.S. Department of Agriculture

tion, both of which remained relatively flat between 1981 and 1988.

It is interesting to note that Foodservice operators have responded to consumer concerns about fat in dairy products by using a smaller proportion of whole milk and a larger proportion of low-fat milk. According to the National Dairy Board, foodservice use of whole milk has declined from 63 percent of total milk used in 1986 to 55 percent in 1989. Over the same period, use of low-fat milk in foodservice grew from 28 percent of total milk used to 39 percent.

Dairy-products consumption at restaurants

A new association study, *Attitudes toward Nutrition in Restaurants: Assessing the Market*, shows that there is substantial consumer interest in a number of dairy products. On a list of 27 food items (including 5 dairy products), the dairy product that adult consumers ordered most often was premium ice cream, which 53 percent of the respondents ordered at a restaurant in 1989. Low-fat frozen yogurt was the second-most-frequently-ordered dairy product—50 percent of the panel had ordered it at a restaurant during 1989.

Cereal served with skim or low-fat milk (41 percent of orders), low-fat cottage cheese (38 percent) and bagels or breads with low-fat cream cheese (37 percent) were ordered somewhat less frequently, yet still by a substantial proportion of adult restaurant patrons.

Who eats dairy products at restaurants?

Although dairy products are often grouped together, there are different groups of consumers for each product. A 1988 CREST special study helps pinpoint who eats or drinks various dairy products as well as when and where they are most often consumed at restaurants.

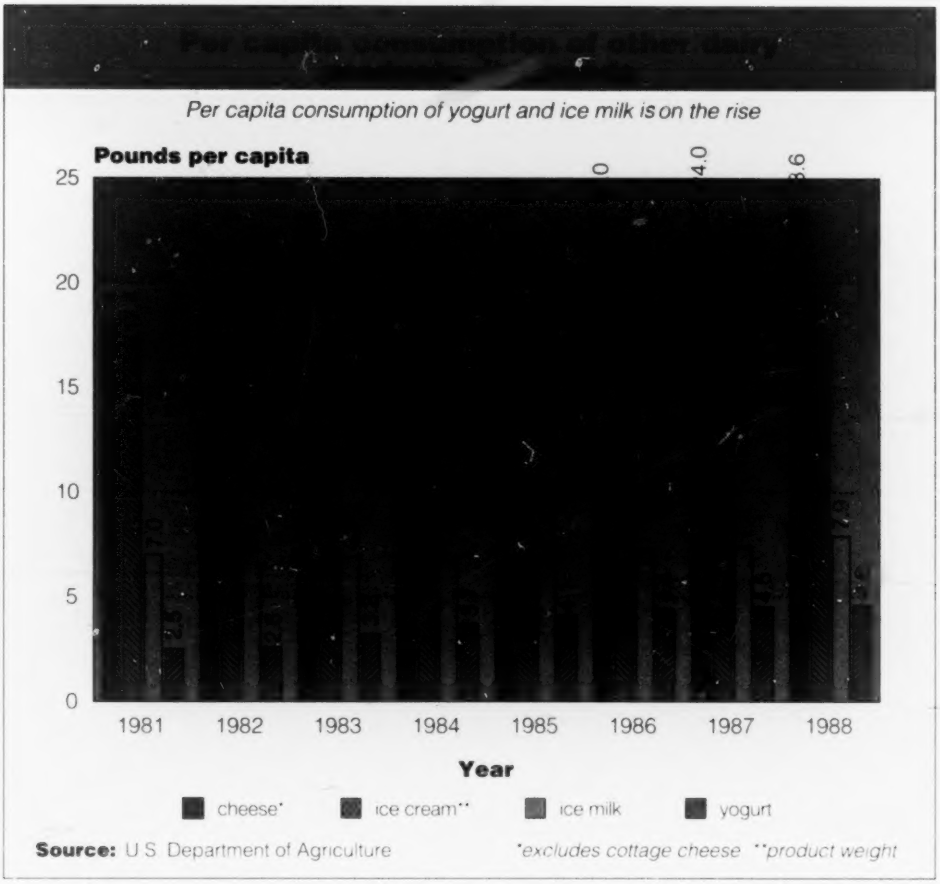
☐ **Milk.** Not surprisingly, children under 6 accounted for the largest share of milk orders—nearly 22 percent—at restaurants in 1988. However, the two next largest groups of consumers were adults between 25 and 34 (20 percent of orders) and adults between 35 and 49 (15 percent). Nearly half (49 percent) of all milk orders came from restaurant parties of adults only, with a slightly lower proportion of orders from parties of adults with children under 12 years of age (41 percent).

Milk was ordered in nearly equal proportions at lunch (33 percent) and dinner (34 percent) and somewhat less often at breakfast (25 percent). Weekends were the days with the largest proportion of milk orders, probably because restaurant visits for children increase on those days. Milk was more frequently ordered by women

How to order the report

The association's study, *Attitudes toward Nutrition in Restaurants: Assessing the Market*, (CS 971), provides a more detailed look at consumer attitudes toward and interest in nutrition at restaurants. It details how consumer concerns affect their restaurant choices. The report is available to association members for $45 and to nonmembers for $90. This fee includes shipping and handling charges (overseas orders require a 20 percent surcharge). All orders must be prepaid.

To order by check or money order, write to the National Restaurant Association Publications Department, 1200 Seventeenth St., N.W., Washington DC 20036. For credit-card orders, call the association's Information Service and Library between 9 a.m. and 5 p.m. (Eastern Daylight Time) at 1-800-424-5156 or (202) 331-5960 in Washington DC.



Per capita consumption of other dairy

Per capita consumption of yogurt and ice milk is on the rise

Source: U.S. Department of Agriculture *excludes cottage cheese **product weight

Foodservice operators have responded to consumer concerns about fat in dairy products by using a smaller proportion of whole milk and a larger proportion of low-fat milk.

than by men—54 percent versus 46 percent.

☐ **Ice cream.** Ice cream, including both hard and soft varieties, was ordered most often as an evening snack (33 percent). Soft ice cream was ordered as often with supper as it was as an evening snack (29 percent), although hard ice cream was predominantly a snack food item (39 percent of orders considered an evening snack).

Another interesting ice-cream fact: Ice cream was ordered more often by adult-only restaurant parties (51 percent) than by adults dining with children under 12 years of age (32 percent). This occurred more often with hard ice cream (54 percent of adult-only parties and 31 percent of orders from adults with kids under 12) than with soft ice cream (49 percent of adult-only parties and 34 percent of orders from adults with kids under 12). In addition, women were more likely than men to order ice cream. Adults between 35 and 49 years of age were the ones who accounted for the largest share of ice-cream orders, followed by adults 25 to 34 years old. Despite its portability, ice cream was eaten on premises slightly more often than off premises (53 percent versus 47 percent).

☐ **Frozen yogurt.** Unlike ice cream, frozen yogurt is typically an adult food. Nearly two-thirds (63 percent) of frozen-yogurt orders came from adults dining without children. A smaller 26 percent of frozen-yogurt orders came from adults dining with children under 12 years of age. Frozen yogurt, like ice cream, is typically considered a snack food, and it is consumed nearly as often as an afternoon (34 percent of orders) or evening snack (37 percent). Less than half (43 percent) of the frozen-yogurt orders were eaten on premises, with 20 percent being consumed in the car and 19 percent being consumed off premises in a setting other than a car or at home.

Frozen yogurt was typically ordered by women rather than men (64 percent versus 36 percent). The largest share of orders came from adults between 35 and 49 years of age (24 percent), followed by adults between 25 and 34 years of age (22 percent).

☐ **Shakes/floats/malts.** Shakes/floats/malts were most popular at lunch (40 percent of orders). In contrast to ice cream and frozen yogurt, they were more often ordered by men (54 percent) than by women (46 percent). Shakes/floats/malts were more typically ordered by adults eating without children (54 percent) than by those eating with children under 12 years of age (30 percent). Shakes/floats/malts, because of their ease of portability, were consumed in relatively high proportion in the car (20 percent) and at home (21 percent).

The largest group of consumers of shakes/floats/malts included adults between 25 and 34 (23 percent of orders) and those between 35 and 49 years of age (19 percent of orders).

☐ **Cheese.** Unlike other dairy products, cheese (not including that consumed as a condiment or an ingredient) was largely consumed on premises (81 percent of orders). Cheese was most typically ordered by adults dining without children (77 percent) and was consumed most frequently at supper (48 percent). As was largely true of other dairy products, cheese was more often ordered by women than by men (57 percent versus 43 percent) and by those between 25 and 34 (23 percent) and 50 and 64 years of age (21 percent).

—*Nancy Michalski*

Foodservice Market Measure—reintroduced

The National Restaurant Association reintroduces "Foodservice Market Measure" with this issue. The new improved version of the measure, conducted for the association by the Gallup Organization, does a better job of capturing multiple foodservice occasions by adults on a single day. Although the Market Measure published here is not comparable with similar information published in ***Restaurants USA*** *between September 1988 and February 1990, the improvements made, commencing with the January 1990 survey, will more accurately capture visit frequency. Now respondents must answer each individual portion of every inquiry before the interviewer moves on to the next question. Furthermore, the Market Measure is now fielded over a more lengthy period of each month, which should help to more accurately reflect behavior for the entire month.*

According to the Market Measure, more than half of all adults were foodservice patrons on a typical day during the first five months of 1990. Although individual monthly differences are evident in the first five months of 1990 when compared to the same period in 1989, little change occurred overall.

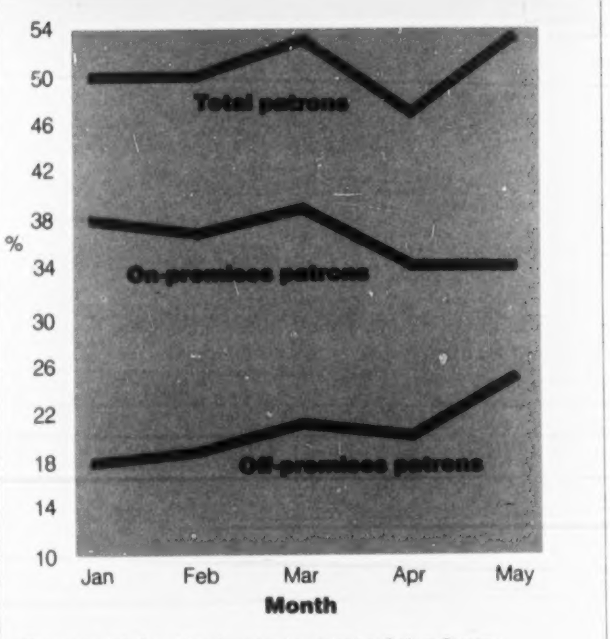
Therefore the incidence of eating out among adults has changed little compared to a year ago, but it is possible that visit frequency may have increased. After dipping to 47 percent in April 1990—from 50 percent in January, 50 percent in February and 53 percent in March—the proportion of adults who were foodservice patrons rebounded to 53 percent in May.

Despite the fact that the incidence of on-premises patronage was down from the beginning of the year, takeout patronage was up significantly. Twenty-five percent of adults reported purchasing takeout in May 1990, which helped to boost overall industry patronage.

Gains for takeout were due primarily to increased dinner patronage. In May more than 46 percent of dinner occasions reported by adults were for takeout or home delivery. This compares to a more modest 33 percent of reported lunch occasions that occurred off premises.

—Susan Mills

Percent of adults who were foodservice patrons in 1990



Source: National Restaurant Association Gallup Survey

Percent of adults who were foodservice patrons on a typical day in May 1990

Meal Period	Percent
Breakfast	7%
Lunch	27
Dinner	28
Snack	7

Source: National Restaurant Association Gallup Survey

Foodservice Market Measure

The Foodservice Market Measure is based on 1,000 telephone interviews, conducted by the Gallup Organization each month, with a nationally representative sample of adults age 18 and older. Each person is asked the same questions:

1. Which of the following did you do yesterday?

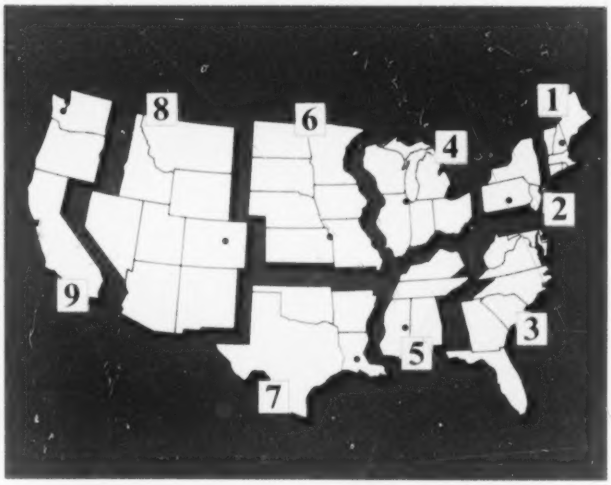
☐ Ate on the premises of a restaurant, fast food place, cafeteria or any other place where you purchased a meal or snack,

☐ Purchased takeout food "to go" or had it delivered.

2. Was the food you ate on premises yesterday for breakfast, lunch, dinner or a snack?

3. Was the takeout food you purchased or had delivered for breakfast, lunch, dinner or a snack?

The monthly tracking of purchases is supplemented by quarterly inquiries on topics of industry interest.



1 NEW ENGLAND

Location: Keene, NH
Association member: Angelo Deliyannakis
Operation: Henry David's
Profile: Fullservice restaurant
In business: 9 years
Seats: 175
Meals served: Lunch, dinner

Henry David's occupies a building that was once a tavern operated by the grandparents of nature lover and author Henry David Thoreau. Located on Main Street, the restaurant brings nature inside with more than 500 plants, exposed beams, skylights and many windows. The plants are tended by a horticulturist on staff.

Always on the menu are the Gargantuan Garden Gathering—a huge bowl of mixed salad—and a wide array of desserts including tollhouse chocolate pie, peanut-butter-crunch pie and an ever-popular chocolate mousse. Weekend specials include crab bisque and lobster.

New Hampshire's restaurants have been affected by a slowing of the state's once-booming economy. "But we're doing better than most in town," says bookkeeper **Gerri Lacoste.** "Business at most restaurants is down about 30 percent; ours is down only 10 percent." One advantage of the downturn is that help is now easier to find.

[illegible]

Location: Mechanicsburg, PA
Association member: Roy Porter
Operation: Lamp Post Restaurant in Messiah Village
Profile: Fullservice restaurant in retirement community
In business: 3 years
Seats: 100
Meals served: Lunch, dinner

Although the Lamp Post is part of a 75-acre retirement community run by the Brethren of Christ, the public is welcome to enjoy the homestyle dishes that are distinctly Pennsylvania Dutch. And more are coming since Servicemaster took over operation of the restaurant four months ago. Now the daily average is 125 customers—up from 30. The boost comes from Foodservice Director **Roy Porter's** focus on improving service, efficiency and food quality. When Porter is satisfied that the restaurant is all it can be, he says he will probably advertise to draw more people from the surrounding areas and Harrisburg, the state capital, just five minutes away.

[illegible]

Location: Lewes, DE
Association members: Van Baker, Chris Nee
Operation: Gilligan's Bar & Grill
Profile: Bar and restaurant on water
In business: 3 years
Seats: 102
Meals served: Lunch, dinner

Open from Easter to Columbus Day, this resort-area restaurant attracts tourists and locals with its three decks and large indoor dining room that overlooks a canal. The restaurant is built around an old fishing boat that the owners bought for a dollar, dredged up from the bottom of the canal and transported to its present site.

The dining room, originally inside the boat, proved to be too small, so a new one was built and added on. Now only the kitchen is inside the boat.

In an area known for crab cakes, Gilligan's boasts its crab cakes are the best. Other popular items are its crab and artichoke-heart appetizer, small loaves of bread baked with brie, and the restaurant's seafood bisque. An orange and mango daiquiri is a favorite drink.

"The season so far has been terrific; it gets better every year," says owner **Van Baker.** A two-year-old, 19-room bed-and-breakfast inn next door has added to business.

4 EAST NORTH CENTRAL

Location: Skokie, IL
Association member: Sheldon Kane
Operation: Slice of Life
Profile: Italian, vegetarian, kosher restaurant
In business: 2 1/2 years
Seats: 60
Meals served: Lunch, dinner; breakfast, only on Sundays

Before **Sheldon Kane** opened Slice of Life, he did demographic research, attended National Restaurant Association seminars and studied other restaurants in the area. As a result, his business in the Chicago suburb of Skokie grows daily; he's been written up in Chicago and local papers, and he was named 1990 Skokie Merchant of the Year.

Kane describes his menu as eclectic, but the emphasis is on Italian vegetarian dishes, such as the popular fettucini with Parmesan cheese. The restaurant serves no meat or poultry but does serve fresh fish—10 kinds daily. Monday night is Mexican night. All food is inspected by a rabbi twice a day to ensure that it conforms to kosher standards.

The entire Slice of Life menu is available for carry-out and delivery. There is also a catering business that owes its success to word-of-mouth advertising.

[illegible]

Location: Toomsuba, MS
Association members: Billy Barrett, Philip Morgan, Carol Thomas
Operation: Travla Restaurant
Profile: Family restaurant with gift shop, gas station

In business: 18 years
Seats: 45
Meals served: Breakfast, lunch

The gas station, gift shop and restaurant owned by **Billy Barrett** and partners, just off an interstate eight miles from the Alabama line, is family-oriented. The restaurant serves light meals from 7 a.m. to 7 p.m., including its well-known homemade biscuits and country ham.

The gift shop sells spoons, mugs, glasses and other souvenirs. In the summer, the tourist season, the shop outsells the restaurant. In the winter, the restaurant does the bigger business.

Since August 1988, when the owners changed their gas-station affiliation from one oil company to another, business has increased monthly, except for last March when construction interrupted travel on the highway.

6 WEST NORTH CENTRAL

Location: Overland Park, KS
Association members: Charles and Rich Davis II, Rich Davis Sr.
Operation: K.C. Masterpiece Barbecue & Grill
Profile: Fullservice restaurant with takeout and catering
In business: 3 1/2 years
Seats: 165
Meals served: Lunch, dinner

K.C. Masterpiece is a midscale, fullservice restaurant, with decorator decor and a full menu. Owner **Rich Davis Sr.,** who is also a physician, began a career in the barbecue world by bottling and marketing a sauce. Barbecue continues to be a trademark of the company. Barbecued over hickory wood are ribs—both pork and beef—brisket, sausage, turkey and ham as well as minced smoked pork. From the grill come steaks, fresh fish, shrimp and vegetables. The most popular side dish is dirty rice, made with pork sausage instead of the usual chicken gizzards and livers. Baked beans, potato salad, cole slaw and wet fries—french fries served with a spicy cheese sauce—are other accompaniments.

In addition to the restaurant in Overland Park, a booming residential and business suburb of Kansas City, Missouri, the Davis family owns a unit in St. Louis and will open a second one in St. Louis in early 1991. Business at both restaurants brings in more than $3 million annually.

7 WEST SOUTH CENTRAL

Location: Baton Rouge, LA
Association members: Gus Virginis, DesPo Womack
Operation: La Fonda
Profile: Mexican fullservice restaurant
In business: 29 years
Seats: 250
Meals served: Lunch, dinner

Although the economy of Baton Rouge is still recovering from an oil glut, La Fonda, a Tex/Mex restaurant, has just had its best year in four years. Manager **Gus Virginis** says the hard times forced the restaurant to try to give better service. "We go out of our way to make customers happy," he says. "We tell our waitresses they must put on a happy face no matter how they feel; the customer comes first." Having a good time is a theme of the decor as well, with its colorful pinatas, sombreros and sarapes.

Next year the restaurant will celebrate its 30th anniversary. To mark the occasion there will be special promotions—perhaps a raffle with a trip to Mexico as the grand prize.

8 MOUNTAIN

Location: Aspen, CO
Association member: Ted Koutsoubos
Operation: The Paragon
Profile: Restaurant and disco
In business: 26 years
Seats: 300
Meals served: Breakfast, lunch in summer; dinner in winter

The Paragon is one of few Aspen businesses begun in the early 1970s that has survived under continuous ownership. Owner **Ted Koutsoubos** attributes this longevity to his philosophy of accommodation. The restaurant has gone from fine dining to Thai food to beer bottles on the table. Currently it doubles as a disco, featuring a variety of music. "You can't be too exclusive or you shoot yourself in the foot," says the owner's brother, Louis Koutsoubos. The Paragon's customers may be Nobel Prize winners, successful developers or bricklayers.

The restaurant, located in an old Victorian building that was built in the mining days, has a prime location; it is equidistant from everything going on in the town—skiing in the winter and conferences and festivals in the summer. In the summer The Paragon serves breakfast and lunch on the patio, offering Belgian waffles, omelets and a fruit bar for breakfast, and vegetable and pasta salads for its many health-conscious customers at lunch.

9 PACIFIC

Location: Salem, OR
Association member: Joy Jones
Operation: The Tudor Rose Tea Room
Profile: Midscale English-style tea room
In business: 7 years
Seats: 80
Meals served: Continental breakfast, lunch, tea

Joy Jones, English-born owner of The Tudor Rose, has designed her restaurant to give patrons a taste of England. She's turned the building, once a Sambo's, into a Tudor-style edifice with lattice windows and windowboxes and has filled the grounds with $3,000 worth of plants.

The menu carries through on the British theme with salmon and cucumber sandwiches, Cornish pasties (small meat pies), steak and kidney pie, sausage rolls and banger (an English sausage) in a bun. An English pastry chef turns out desserts like sherry trifle and English-toffee cheesecake. Teatime customers can choose a baked apple with custard, jam tarts or scones with cream.

The residents of Salem, the state capital, have taken so well to having a piece of England in their city that business has increased 30 to 40 percent yearly.

To get to the restaurant, customers must first go through the gift shop, which sells English groceries, candies, china, books and cards. The same products are also available through mail order.

—Julie Fintel

Grocery stores come to the door

Home delivery is an idea that's catching on with more than just restaurants. Supermarkets are getting in on the trend, too.

Shoppers Express, headquartered in Bethesda, Maryland, arranges with supermarkets to provide at-home shopping service. Customers peruse the catalog of goods available and then call in their orders—making sure to be as specific as possible in choosing brands and sizes. The order-takers are trained to ask questions regarding preference and will also offer up-to-the-minute information on fresh produce available or store specials.

Shoppers Express started operation in 1987 in the Washington DC area and has quickly expanded into 13 states, with plans to expand even further.

—Shoppers Express

Clearing the savage beast

The old slogan "music charms the savage beast" is widely known, but 10 7-Eleven store owners in British Columbia have given the phrase a new twist. They are calling on the power of soothing sounds as ammunition in their ongoing battle with loitering teens outside shops and in parking lots. They have installed outdoor sound systems over which they play a program known as "Golden Sounds," featuring the relaxing strains of Ray Coniff, Mantovani and other "elevator" favorites. Such tunes send the lingering teens scrambling for freerer airwaves.

—Copley News Service

He speaks your language

No longer need the customers of Applebee's Neighborhood Grill & Bar in Manchester, New Hampshire, stumble through the unfamiliar, uncomfortable and often embarrassing ordeal of ordering in a foreign language. Polyglot general manager Tom Bard will gladly listen and respond in any of the five languages he speaks. In addition to his "everyday" English, he converses in Italian, Spanish, French, and Portuguese. Bard, who has had no formal linguistic training beyond high school French, gleaned his knowledge predominantly through travel and foreign friends. "It's always nice to have the option of being able to converse with people in their own language," says Bard. "It puts them at ease and let's them know they're welcome here."

—Graham Communications

McDonald's gets no break in Finland

A consumer affairs court in Finland recently banned a McDonald's TV advertisement, claiming the spot exploited a child's loneliness and went so far as to suggest that the fast food restaurant could fill that void.

The ad portrays an unhappy young boy in an empty apartment that his family will apparently soon occupy. But his despair vanishes as he discovers the friendly golden arches across the street, and all is well by the spot's end as the youngster enjoys a meal in the restaurant.

McDonald's claims the advertisement is simply part of its campaign to present visits as family events and to highlight the establishment as a favorite with children.

Finnish authorities did not agree, and the company could face a $50,000 fine if it ever pursues such an angle in the future.

—*LA Times*

Searching for the beef...again

Wendy's announced recently that it will pull its oft-quoted ad slogan "Where's the Beef?" out of mothballs to make it the centerpiece of its new marketing campaign. And the fast food chain is not alone in its revival of former themes to freshen up current advertising. Nestle fell back on the "Nestea plunge" two years ago, and the trend has been gaining strength ever since. Perrier is once again "Earth's first soft drink" and "Riunite on ice" is still "nice."

Marketing experts warn, however, that revival simply for revival's sake or bringing back an old gimmick that was insignificant the first time around won't rejuvenate an ailing product.

But for many memorable slogans, rebirth means marketing magic. In fact, many advertisers found it quite simple to pick up where they'd left off. Nestle, in deciding to dust off the "plunge" after a five-year shelving, discovered that a full one-third of surveyed customers never realized the ads had left the air.

—*Wall Street Journal*

A new scent for an old staple

That pungent onion that once left telltale traces on the breath has some new, less biting, competition. New strains of this vegetable come from Texas (the 1015), California (the Imperial Sweet) and Hawaii (the Maui). Most critics agree that these new hybrids possess little bite and even less flavor than the original and that most serve better as garnishes rather than spices. Nevertheless, the National Onion Association reports that U.S. consumption of onions has risen 50 percent over the last 10 years, largely due to these new, less odorous varieties.

—*Time*

This button could be worth millions you.
We're glad you're here

This and the other "We're glad you're here!" campaign materials will help raise hospitality standards in your establishment–and bring guests back. To participate in this industry-wide promotion, call the National Restaurant Association for a brochure and order form at (800) 424-5156.

KEY-ITEM REPORT ■ CATALAN CUISINE ■ CHEF INTERVIEWS

THE MONTHLY MAGAZINE OF THE NATIONAL RESTAURANT ASSOCIATION

VOL. 10 □ NO. 8 □ SEPTEMBER 1990

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RESTAURANTS USA

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New Discoveries In the Kitchen

PRESIDENT'S REPORT

Michael E. Hurst, owner
15th Street Fisheries, Ft. Lauderdale, FL

[illegible]

Political affairs are always a top priority at National Restaurant Association headquarters in Washington, but September has come to be the most important month for political activity. As an annual highlight of our industry's lobbying efforts, the association's Public Affairs Conference takes place this year from September 24 to September 26 at the Capital Hilton Hotel in Washington DC. I hope you will participate in this important conference.

Several Washington insiders will be featured speakers this year, providing conference attendees with legislative updates and strategies for successful lobbying. After being briefed on current legislative issues, you will have a chance to add your voice to the association's lobbying efforts by meeting with your legislators on Capitol Hill. Association staff will schedule the meetings for you.

Finally, as a social highlight, the annual *Chef d'oeuvre* reception will give you the opportunity to meet with your senators and representatives in a social setting amidst fine food prepared by several of Washington's top restaurants. This elegant event has become more popular each year and is now a must-attend event for scores of legislators.

For more information, call Diane Dorman in the association's government affairs department at 1-800-424-5156 or (202) 331-5900.

[illegible]

This year's conference comes at a crucial time. As I write this, the recent legislation passed by both houses concerning civil rights appears headed for a certain, and sustainable, veto by President Bush. The association supports the administration's position on the bill because, as presently worded, it would create many areas of conflict between employers and employees.

[illegible]

This year's budget negotiations between the administration and Congress have been particularly strained, and no easy solution to the deficit problem is in sight. Association lobbyists in Washington are on guard for any "desperation" tax bills that Congress might aim at small businesses. In particular, our association will fight to be sure that there is no further erosion of the tax deduction for the business-marketing meal.

[illegible]

As you probably know, the Americans with Disabilities Act (ADA) was recently signed into law, and it is now incumbent upon us to find out how to comply. On January 8, 1991, the National Restaurant Association will hold a one-day symposium in Washington DC to outline the specifics of ADA and to help pinpoint any changes that must be made in foodservice operations. More information on this educational event will be available soon.

[illegible]

Applications for 1991 National Restaurant Association teacher work-study grants and H.J. Heinz fellowships will be available soon from the association's educational foundation. This year, more than $46,000 was awarded to 26 foodservice educators from around the country, providing them with opportunities to gain valuable knowledge and industry experience they can share with students in the classroom. Grants are given as supplemental income for educators during work/study employment, and fellowships are awarded to those pursuing graduate degrees. Applications for these awards must be postmarked no later than December 31, 1990. For more information, contact the foundation's scholarship services department at 1-800-765-2122.

"We're glad you're here!" campaign is in full swing

The association's "We're glad you're here!" campaign is in full swing, promoting our industry's renewed commitment to hospitality. The association mailed 35,000 brochures and order forms several weeks ago, explaining the program's goals and offering 19 items for sale that bear the "We're glad you're here!" logo. If you did not receive a mailing or if you would like more information, call the association's communications department at 1-800-424-5156 or (202) 331-5900.

New industry operations report

If you ever wonder how your operation's numbers stack up against those of similar establishments, the new *Restaurant Industry Operations Report—1990* allows you to make such a comparison. You can read about the report in the Foodservice Trends section of this issue of ***Restaurants USA.***

I am glad to report that 54 new members joined the National Restaurant Association in August. We welcome you and hope you will begin to reap the benefits of membership by participating in association activities.

Sincerely,

Michael E. Hurst

Michael E. Hurst
President and Chairman of the Board

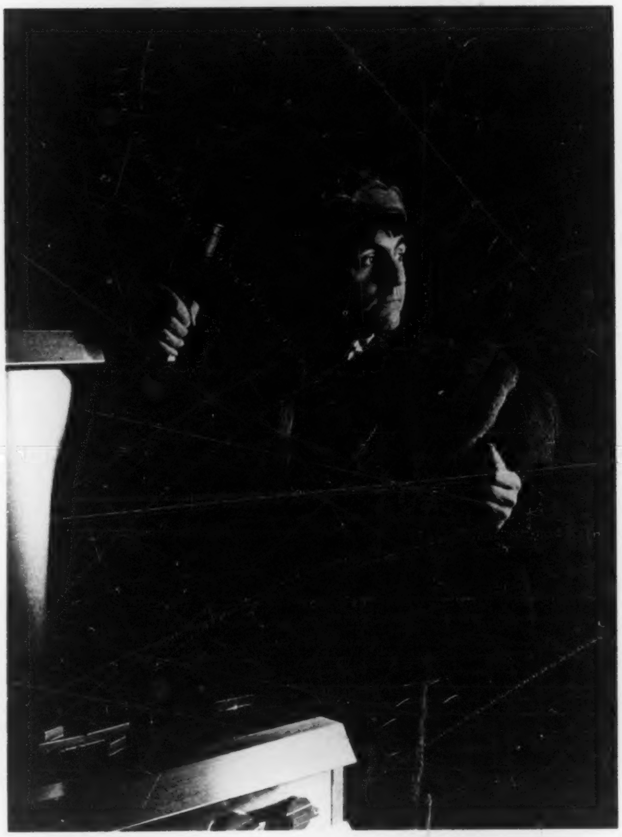
RESTAURANTS USA

COVER STORY: New discoveries in the kitchen

As new ideas emerge, the restaurant kitchen keeps changing—and so are foodservice chefs.

SPECIALS

12 **The creative chefs nobody knows**
No reviewer has tasted their wares, no camera has captured their faces. The public doesn't even know they exist, much less how well they cook. Yet the culinary skills of these sequestered chefs rise to olympic heights.



15 **Catalan cuisine: no longer under wraps**
As the 1992 summer Olympics in Barcelona and the 500th anniversary of Columbus' voyage to America approach, Spain provides yet another reason to celebrate: the addition of a flavorful cuisine to the U.S. restaurant scene.

18 **Always "sell out"—never "run out"**
Why you should plan menu items to sell out.

21 **Improving food cost with the Key-Item Report**
It makes sense to track the high-usage and high-cost food items in your kitchen.

24 **The chutney intrigue**
One chef's discovery of the fruity, spicy taste of chutney—the Indian condiment that can liven up a menu.

26 **The litmus test for hiring a chef**
The personal interview can be a deciding factor in the search for the right chef.

28 **Why Jim Dodge makes bread for charity**
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30 **Fit chefs don't fit the "dough boy" stereotype**
The profile of the artist under the white hat is rapidly changing.

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Cover photo by Gary Landsman. Range supplied by Vulcan Hart Co.

SHORTORDERS

Clothes for charity

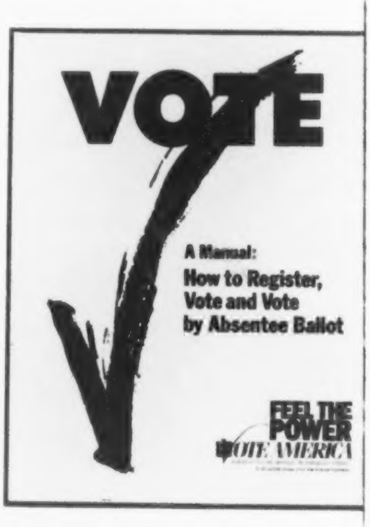
THE SALVATION ARMY

***An army of pants,* skirts, and aprons landed at The Salvation Army's Adult Rehabilitation Center in Detroit this summer. More than 1,200 men's and women's pants and 600 aprons, shirts and skirts were donated to The Salvation Army by A&W Restaurants, Inc., and Angelica Uniform Group. The garments, valued at $10,000, will be distributed to Salvation Army shelters and corps community centers throughout the metropolitan Detroit area. "When our new uniform design program was implemented, we decided to donate whatever unused stock we had to The Salvation Army," says Wendy Rose, public relations manager for A&W Restaurants, Inc.**

Help employees and patrons pull the lever

Election day is November 6, and Americans everywhere will have a chance to exercise their most fundamental democratic right: the right to vote. Unfortunately, during the last election only about half of all Americans voted—one of the worst levels of voter turnout in the world.

The National Restaurant Association encourages you to make your restaurant a center of voter involvement in the community. You can promote participation by sponsoring awareness programs in three key areas: voter registration (which must be promoted well before election time), absentee voting (for those travel-



FEEDBACK

A solution to "no-shows"

Dear Editor:

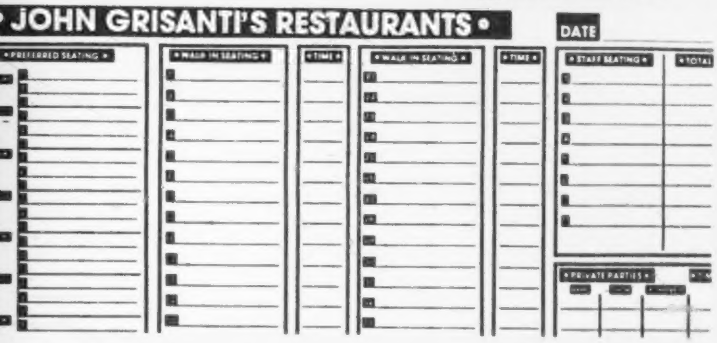
I read with interest the article on Page 47 of the June/July 1990 issue of ***Restaurants USA*** concerning reservation of "no-shows." I'd like to share an idea we have created at Grisanti's that might alleviate no-shows and other problems related to restaurants taking reservations.

Our system, called Preferred Seating, allows us to take a number of seatings every 30 minutes. Please see the accompanying chart. It works like this: A customer calls for a seating and specifies 7:00 p.m. If we have an opening, we will place the caller's name in the 7:00 p.m. slot (we allow three names per time slot; other restaurants might allow more than three.) If the 7:00 p.m. slot is filled, we suggest 6:30 or 7:30 p.m. This enables us to have a steady flow of customers. When the customer arrives at the appointed time and if there is a line, he or she goes to the top of the list. (Patrons waiting in line must understand the policy, and of course, we explain it to our customers.)

The system prevents several potential problems. If the customer doesn't show up, it is no problem, because with so few reservations per half-hour we can easily fill the no-show slot from our waiting list. Also, we do not have open tables with a long line of waiting customers. This has worked extremely well for us for almost two years.

If you would like more details, please feel free to call me.

—John A. Grisanti, Sr.
John Grisanti's Restaurants
Memphis, Tenesee



• JOHN GRISANTI'S RESTAURANTS •

DATE

• PREFERRED SEATING •
• WALK IN SEATING •
• TIME •
• WALK IN SEATING •
• TIME •
• STAFF SEATING •
• TOTAL
• PRIVATE PARTIES •

How to make promotions work for you

☐ *Don't make the mistake of seeing—and treating—guests who use promotional offers as freeloaders.* Don't give them a bad table, small portions or cut-rate service. If you do, they may never come back, which defeats the whole purpose of promotional offers. Instead, shower these diners with *extra* attention—it will be a pleasant surprise to them.

☐ *Be sure to make the offer worth the customers' while.* Don't expect them to pay $50 to eat at an untried restaurant just for a free glass of wine. An offer can be reasonable for both parties if you use your markup figure as a guide for esing on election day) and voting at the polls (November 6).

The Vote America Foundation, an organization dedicated to promoting voter involvement, has materials that can help you promote the importance of voting. You can use the ideas in Vote America's "Feel the Power" manual to set up a voter-awareness campaign for both your employees and patrons. Also available are table tents, sample letters and press releases that will announce your participation. For more information, contact the Vote America Foundation, 1200 19th Street, N.W., Suite 603, Washington DC 20036. Or call (202) 659-4595.

timating how much you can spare.

☐ *When business is slow, remember that your overhead costs are constant* and that empty chairs represent a sale lost forever. A discounted seat not only generates some income, it can also bring in new business.

☐ *When business is good, remember that even the best restaurants need a constant stream of new customers* and that sales promotions are one way to entice them.

☐ *Remember that you will have to contact many POTENTIAL customers to obtain a few ACTUAL customers.*

—Dick Solay,
Senior vice president,
Al Paul Lefton Company, Inc.,
Philadelphia, Pennsylvania,
and managing director of The
Solay Group, the company's
sales promotion division

A touch of London in a Mississippi tavern

Scrooge's offers patrons complimentary rides home in a genuine London taxi.

"Friends don't let friends drive drunk," reads the warning in the pages of the menu at Scrooge's restaurant in Jackson, Mississippi; and the restaurant follows that reminder with an offer that can't be beat—"Complimentary Scrooge's London Taxi available." "We always provide rides home for those who've had too much to drink," says owner Bill Latham.

Latham purchased the the fully functioning 1967 taxi about 10 years ago from the previous owner, who had it shipped directly from England. The cab is one of 700 to 800 old London hacks now registered in the United States.

The taxi—emblazoned with the restaurant's logo—is also available for weddings or nights out on the town that begin and end at Scrooge's. "It's a definite eyestopper," says Latham, "a rolling billboard."

According to Latham, the hardest thing to do is keep the cab running. "It's not easy to work on," he says. But at Scrooge's they do keep it running, and it's always there when needed. "If they've had too much [to drink]," says Latham, "all they have to do is ask for a ride home."

Seven educators win fellowships

Seven foodservice/hospitality educators received awards totaling $8,200 in the 1990 Heinz Graduate Degree Fellowship Program, awarded by The Educational Foundation of the National Restaurant Association.

Selected from a group of more than 50 applicants were

☐ *Mary Cluskey,* instructor, Oregon State University, Albany. She received a $2,000 fellowship to pursue a doctorate in food-systems management and

☐ *Nadine Mann,* child-nutrition supervisor, East Baton Rouge School System, Baton Rouge, Louisiana. She was awarded $1,200 to pursue a doctorate in food-systems management.

Recipients of $1,000 graduate degree fellowships were

☐ *Jiaqiang Chen,* instructor, San Jacinto College, San Jacinto, Texas, who is studying for a master's degree in hospitality management,

☐ *John Dienhart,* instructor, Kansas State University, Manhattan, Kansas, who is pursuing a doctorate in institution management,

☐ *Catherine English,* assistant professor, University of Rhode Island, Providence, who is studying for a doctorate in higher education,

☐ *Iain Murray,* assistant professor, University of Guelph, Ontario, Canada, who is studying for a doc-

400 now certified by NAFEM

With the recent certification of 65 new foodservice professionals, the Certified Foodservice Professional (CFSP) program, administered by the National Association of Food Equipment Manufacturers (NAFEM), has vaulted past the 400-member mark. Requirements for earning CFSP recognition include the successful completion of a written examination, documented evidence of foodservice industry-related experience, participation in continuing education programs and demonstrated leadership in foodservice, community and a variety of related activities. For more information, contact Patty Urell, NAFEM, 111 E. Wacker Drive, Chicago, IL 60601; (312) 644-6610.

The National Fisheries Institute's 1990 convention will be held November 4 to 7 at the San Francisco Marriott Hotel in San Francisco. For more information, call (703) 524-8881.

torate in institution management and

☐ *Christopher Muller*, instructor, Cornell University, Ithaca, New York, who is pursuing a doctorate in hotel administration.

Winners of the annual awards are selected by leading educators and foodservice hospitality industry leaders on the educational foundation's fellowship committee.

Hotel discounts for association members

National Restaurant Association members can save a full 50 percent off hotel room charges if they enroll in Quest International. More than 1,500 hotels, motels and resort condominiums honor Quest members with a half-price savings on their regular room charges.

Participating properties include Holiday Inns, Hiltons, Sheratons, Westins, Radissons and many others in locations throughout the United States, Canada, Mexico, the Bahamas and as far away as France, Denmark and Greece.

National Restaurant Association members can enroll in Quest for just $19.95, a substantial savings compared to the regular retail cost of $99. The price includes a complete, no-risk, money-back guarantee. To order, send a check to "National Restaurant Association Quest Offer," One Lake Aspen Park, P.O. Box 22800, Yakima, WA 98907-2800. Please include the NRA access number, #1863, and $1.95 for processing and handling. To order by credit card, call 1-800-STAY-4-50 (1-800-782-9450).

Storm brewing over alcohol tax

Congress may soon reform the Special Occupational Tax on alcohol retailers that has had restaurateurs up in arms since BATF began to collect back taxes aggressively from unsuspecting restaurateurs.

As Congress and the White House prepare to wrap up a tax bill by October 1, the beginning of the next fiscal year, restaurateurs will have their eyes on one of the legislation's smaller-ticket items: the possible modification of a $250 Special Occupational Tax on alcohol retailers (SOT).

Since Congress increased the underpublicized tax in 1987, the U.S. Bureau of Alcohol, Tobacco and Firearms (BATF) has aggressively collected large sums of back taxes, penalties and interest from restaurateurs, grocers and others who sell alcohol. Retailers say they never knew about the tax; BATF says ignorance is no excuse. This leaves Congress to decide whether and how to give operators relief.

Tax hike spurs enforcement

The federal government began collecting the SOT from alcohol wholesalers and retailers in 1866, charging retailers—including restaurants and bars—$25 per unit per year for the right to sell liquor. By 1959 the tax, due each July 1, had increased to $54, with a discounted rate of $24 for stores that sold only beer.

In the Omnibus Budget Reconciliation Act of 1987, a revenue-hungry Congress hiked the tax to $250 for all alcohol retailers and shifted the enforcement responsibility from the Internal Revenue Service to BATF. Congress also broadened

DC ROUNDUP

☐ *IRS releases "tentative findings" of tip study.* The Internal Revenue Serv-ice will release its long-awaited study on tip reporting and tipping patterns "in the near future," IRS witness Marshall Washburn promised a House subpanel at a July 24 hearing.

The report, scheduled to be delivered to Congress almost four years ago, is required by the Tax Equity and Fiscal Responsibility Act of 1982.

According to Washburn, the study's "tentative findings" estimate that the average nationwide tipping rate is 11.9 percent and that employees in establishments covered by TEFRA's tip-reporting provisions (employers with 10 or more workers) are now reporting only about half of their tip income.

☐ *Democrats marshal civil rights bill through House.* After rejecting a National Restaurant Association-supported compromise proposed by House Small Business Committee Chairman John LaFalce (D-NY), the House voted 272 to 154 in favor of H.R. 4000, the Civil Rights Act of 1990. Under extreme pressure from House Democratic leaders, all but 12 of the chamber's Democrats voted for the legislation.

Critics predict H.R. 4000, which overturns at least five U.S. Supreme Court rulings, would force employers to hire by quota to avoid discrimination charges and could encourage excessive litigation by allowing plaintiffs to collect compensatory and punitive damages in job-bias cases. Successful plaintiffs are currently limited to reinstatement, back pay and court costs.

House and Senate negotiators will meet this month to reconcile differences between H.R. 4000 and S. 2104, companion legislation passed in the Senate in July. President Bush, who has indicated he opposes both versions of the bill, is expected to veto the legislation.

☐ *Alcohol taxes on the front burner.* As Congress and the White House meet to fashion a deficit-reduction bill before the next fiscal year begins on October 1, alcohol excise taxes are sure to be one item on the agenda.

Shortly before the negotiating team broke off budget talks in July, White House officials floated a preliminary proposal that would raise at least $7 billion a year by increasing the current 16-cent tax on a six-pack of beer to 80 cents, the three-cent tax on a bottle of wine to 76 cents and the $1.09 tax on a bottle of liquor to $2.54.

The announcement met with a firestorm of protest from the alcohol industry, state and local officials wary of incursions into their own taxing powers and groups that argue that alcohol-excise tax increases are regressive, because they hurt low-income Americans more than other groups.

—Denise Roach

"I don't object to paying taxes, but I strenuously object to having the government penalize me $8,500 in interest and penalties because of its own neglect in informing its citizens," says Ed Hartman.

the tax's coverage to include other businesses involved in the alcohol industry, among them distillers and alcohol-fuel plants.

Because the tax had always been low and had applied to only a limited segment of the alcohol industry, the IRS never put much effort into publicizing or enforcing the so-called "user fee," collecting less than $27 million from the tax in 1987.

However, given the higher tax rate, more businesses to collect from and broad powers to assess back taxes, BATF began collecting the SOT with vigor when the increase took effect January 1, 1988. By 1989, surprised alcohol sellers were getting letters from BATF demanding large payments for several-year-old taxes. BATF expects to collect more than $130 million from the tax this year.

Tax hits hard

"I don't object to paying taxes, but I strenuously object to having the government penalize me $8,500 in interest and penalties because of its own neglect in informing its citizens," says Ed Hartman, owner of the Chesapeake Marine Tours in Annapolis, Maryland.

Hartman, who hires up to 44 crew members to operate a fleet of 10 tour boats during peak summer months, read a newspaper article about the tax in the fall of 1989. A faithful taxpayer for 40 years, Hartman contacted BATF to see whether he owed the tax.

"In gratitude for searching them out, they told us that each boat represented a separate premises, and we were responsible for taxes on all six boats that serve alcohol plus full penalties and interest,"says Hartman, who is still disputing a total tax bill of about $14,000.

Ignorance is no excuse

Harry Pass, chief of the BATF-tax-compliance branch, which coordinates the eight regional offices that collect the tax, says a "mere lack of knowledge is insufficient" to excuse restaurateurs from paying penalties and interest on the back taxes. He says BATF will continue to enforce the law to the letter unless Congress legislates otherwise.

Like hundreds of other restaurateurs around the country, Barbara Asimos, co-owner of the Asimakopoulos Cafe in San Francisco, has seen BATF's hard-line stance up close. BATF sent Asimos a letter last year demanding $1,800 for alcohol taxes dating back to 1981 from her 30-employee Greek bistro. After trying unsuccessfully to get BATF to forgive the penalty and interest charges, she paid the bill in full.

Asimos, who never knew the tax existed before she received BATF's letter, called the experience "fundraising by extortion." "They were totally unwilling to work with us to find a reasonable solution to the problem," Asimos says.

Congress, White House respond to complaints

Hartman, Asimos and others are hoping their horror stories will prod Congress into giving operators some relief from overzealous collection of the tax.

In response to complaints from restaurateurs and other alcohol-selling constituents, several members of Congress introduced bills (H.R. 2285 and S. 1610) last year to prevent BATF from collecting taxes due before January 1, 1988, or any penalties and interest on these back taxes.

At Congress's only hearing on the subject, held last October, restaurateur Dave Patterson (of Sgt. Pepperoni's Pizza Store in Santa Ana Heights, California) asked Congress to put a statute of limitations on collection of back taxes. Patterson, who had received a $3,000 bill from BATF that month, emphasized to lawmakers that "we work hard, pay our bills and pay our taxes. Small-business people have difficulty coping with such large, unexpected tax bills."

Even the White House has taken a stance. At the October 1989 hearing, Assistant U.S. Treasury Secretary Kenneth Gideon stopped short of supporting amnesty for back taxes but agreed that BATF (a division of the Treasury Department) should waive penalties and interest on these back taxes. Noting that the estimated percentage of retailers complying with the law had risen from 40 percent to 80 percent after BATF took over collections, Gideon said, "Many taxpayers were simply not aware of the tax. There is no evidence that dealers were attempting to avoid the tax."

In his initial fiscal 1991 budget plan, President Bush proposed eliminating the SOT for retailers and making up the difference by increasing tax on distillers and wholesalers. In response to an outcry by alcohol suppliers, the Treasury Department has indicated it would be willing to consider other alternatives for collecting the money while providing relief to small retailers.

Reform uncertain

The outlook for reform depends in large part on how much pressure Congress feels from constituents on the issue. Reform would likely occur as part of the budget-reconciliation bill now winding its way through Congress.

The National Restaurant Association has joined grocers, wholesalers and distillers in urging the President and Congress to repeal the SOT outright or at least limit BATF to collecting taxes back to January 1, 1988.

If you would like to support reforms of the BATF tax, write your members of Congress at the U.S. House of Representatives, Washington DC 20515 and the U.S. Senate, Washington DC 20510.

—Andrew McLauchlin

A hotel chain with an environmental vision

Ramada International Hotels & Resorts has launched an environmental program where both staff members and guests are the keys to success.

CLEAN ENVIRONMENT
COURTESY OF
RAMADA RENAISSANCE
HOTEL

Employees of the Ramada Renaissance Hotel-Airport in Atlanta pick up trash along "their" street.

"We intend to become the hotelier of environmental integrity," says Kathy Redmond, senior vice president of marketing for Ramada. "Both travelers and employees want to be part of a hotel chain that has strong values and a clear vision."

Ramada's new environmental program—known as "Hotels of the New Wave"—is a grassroots effort: the company is counting on its 22,000 employees to make the areas in and around individual properties more environmentally sound.

Each hotel's staff works independently, developing and implementing its own ideas, supported by materials from headquarters.

Encouraging ideas

Each property forms its own environmental committee to evaluate employee suggestions. Cash incentives are offered to employees who develop the most effective ideas; and at the annual convention in September, chairman's awards are presented for the best idea by region, hotel and employee. Successful ideas are further recognized in Ramada's company newsletter and on bulletin boards. The Ramada in Toronto also publishes the "Green Team News," a bimonthly environmental newsletter, and the Ramada Renaissance Hotel-Techworld in Washington DC is producing its own environmental-education video for employees.

So far the myriad ideas developed by participating properties include installing bike racks, distributing discount metro tickets and offering cash incentives for carpoolers; using biodegradable detergents for hotel laundries and housekeeping; and replacing paper coffee filters with small-screen wire substitutes.

Individual properties have their particular successes as well. Employees at the Ramada Renaissance Hotel-Airport in Atlanta have adopted a street and spend one hour each week picking up trash. In Edmonton, Alberta, Canada, Ramada engineers are studying the feasibility of installing their own compost pile; in the meantime, all usable food products, such as carrot tops and lettuce hearts, are sold to local farmers as livestock feed. The Ramada Renaissance at Ballston Metro Center in Arlington, Virginia, donates one dollar to the Arlington County Department of Parks and Recreation for every bottle of wine served in its restaurant, A Cut Above.

Including every department

Hotels are encouraged to include every department and every employee. At the Ramada Renaissance Hotel in Long Beach, California, the purchasing department works to evaluate current and future products to ensure maximum recycling ability. Housekeepers monitor thermostats, turn off lights and pre-sort glass, plastic and paper as they empty the trash in guest rooms. The restaurant staff recycles glass and serves water to guests only upon request. The engineering department monitors paper collection and recycling bins and shuts down heavy machinery, such as service elevators and dishwashers, during periods of low hotel activity.

Getting the word out

Ramada hopes to communicate its successes and concerns to the public as well. The major vehicle for this is an international print advertising campaign, which began in May and is scheduled to run through 1990.

Individual Ramada hotels are also being encouraged to work with local environmental groups to promote common causes.

Ramada is beginning to concentrate on guests as well to generate action beyond the limits of individual properties. In Edmonton, Ramada rooms are already outfitted with small placards next to light switches and appliances, which remind guests to turn them off. Other hotels are developing similar strategies. "We want to highlight our environmental concerns and encourage guests to do their part," says Annette Eckel, director of public relations at the Long Beach Renaissance. "Many guests just leave their hotel rooms with all the lights on, the television going and the air conditioning running."

Several hotels are taking a more practical approach to making guests part of their environmental scheme. Long Beach visitors are called into action to help reduce the use of styrofoam cups by the hotel's Presto Deli, which offers 25 cents off a cup of coffee for guests who supply their own cups. The Ballston Renaissance awards a "Weekend Celebration" package—including two nights at the hotel, a bottle of champagne and breakfast for two—to every private resident of Ballston who plants a tree in the community. This "award" will continue through October.

Not a one-shot campaign

Ramada realizes the magnitude of environmental issues and that solutions will take many steps and many years. "It takes dedication over the long haul, and that's the kind of commitment Ramada International has made," says Kathy Redmond.

—Melanie A. Crosby

Hurst pledges support to two designated-driver campaigns

“This may be the year of the designated driver—and that would benefit both restaurateurs and their customers,” said National Restaurant Association President Michael E. Hurst. He was referring to national designated-driver campaigns launched by two influential organizations.

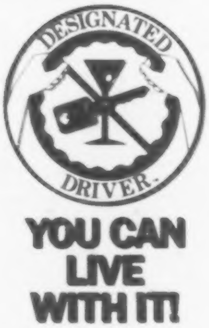
Hurst spoke during a luncheon last month at which Mothers Against Drunk Driving (MADD) announced its campaign. He told a large audience of advocates and politicians, “We would be elated and relieved if designated drivers became a social norm in this country.”

MADD's program

MADD plans to flood the country with posters, table tents, buttons, coasters and napkins that remind people to designate one of their party to refrain from drinking and then drive the group home. These materials have the logo “The Designated Driver—You Can Live With It.”

“Designating a driver is a matter of course in Scandinavian countries—a part of normal social behavior,” says Sally O'Connor, director of community programs at MADD's national office in Irving, Texas. “Over there no one would even think of driving a car drunk.”

MADD's program is a grassroots effort, implemented largely through local chapters across the country or, where no MADD chapters exist, other community groups. “We developed a logo with no mention of MADD so that interested groups could handle the idea their own way and adopt it as their own,” says O'Connor.



MADD'S designated-driver poster helps promote the concept.

O'Connor hopes that working with the National Restaurant Association will help get the message to people driving to restaurants and bars. “By displaying a designated-driver poster in their establishments, foodservice operators will be helping to make designating a driver a thing that everyone does automatically,” says O'Connor. MADD materials can be ordered directly from local MADD chapters. The MADD designated-driver poster (two-color, 14″ by 17,″ on light paper) is available from the Washington DC office of the National Restaurant Association for $4.00 for four. The nonmember price is $6.50.

Harvard's program

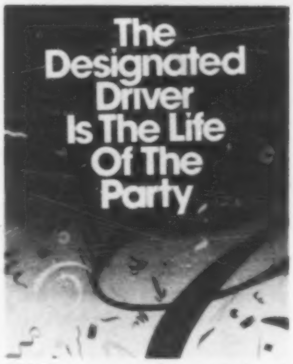
A second major national program, organized by the Harvard Alcohol Project (HAP)—a program of the Center for Health Communication at the Harvard School of Public Health—recently succeeded in bringing an entire community together in support of designated drivers. On Martha's Vineyard this summer, the slogan “The Designated Driver is the Life of the Party” blanketed the small resort town.

The colorful “Life of the Party” poster, filled with eye-catching neon-bright streamers, hung in nearly every restaurant and bar. “Our idea is that you can sell the designated-driver idea just as you can sell a beer,” says Dr. Jay Winsten, HAP director. “Life of the Party” posters (four-color, 16″ by 20¼,″ on heavy paper) are also available from the National Restaurant Association for $11.00 for two. The nonmember price is $13.00.

The Martha's Vineyard experiment, however, is simply the latest triumph for a program that has been actively campaigning for the designated-driver concept for several years. Although the Martha's Vineyard effort was structured much like MADD's community-support program, most of the Harvard program is based on a mass-media blitz that includes local radio, television news, and public-service advertising as well as prime-time network television.

“Nothing can rival the impact of prime-time entertainment,” says Winsten. “It not only mirrors social reality but also helps shape it by depicting what constitutes popular opinion, by influencing people's perceptions of the roles and behaviors that are appropriate to members of a culture, and by modeling specific behaviors.”

More than 80 television episodes—from “Cheers” to “The Young and the Restless”—have made references to the dangers of drinking and driving and the virtue of designating a driver. Several shows, including the popular “Who's the Boss?” and “Growing Pains,” have built entire episodes around the subject of drunk driving and its painful consequences.


The Designated Driver Is The Life Of The Party

HAP's eye-catching “Life of the Party” poster encourages the positive image of the designated driver.

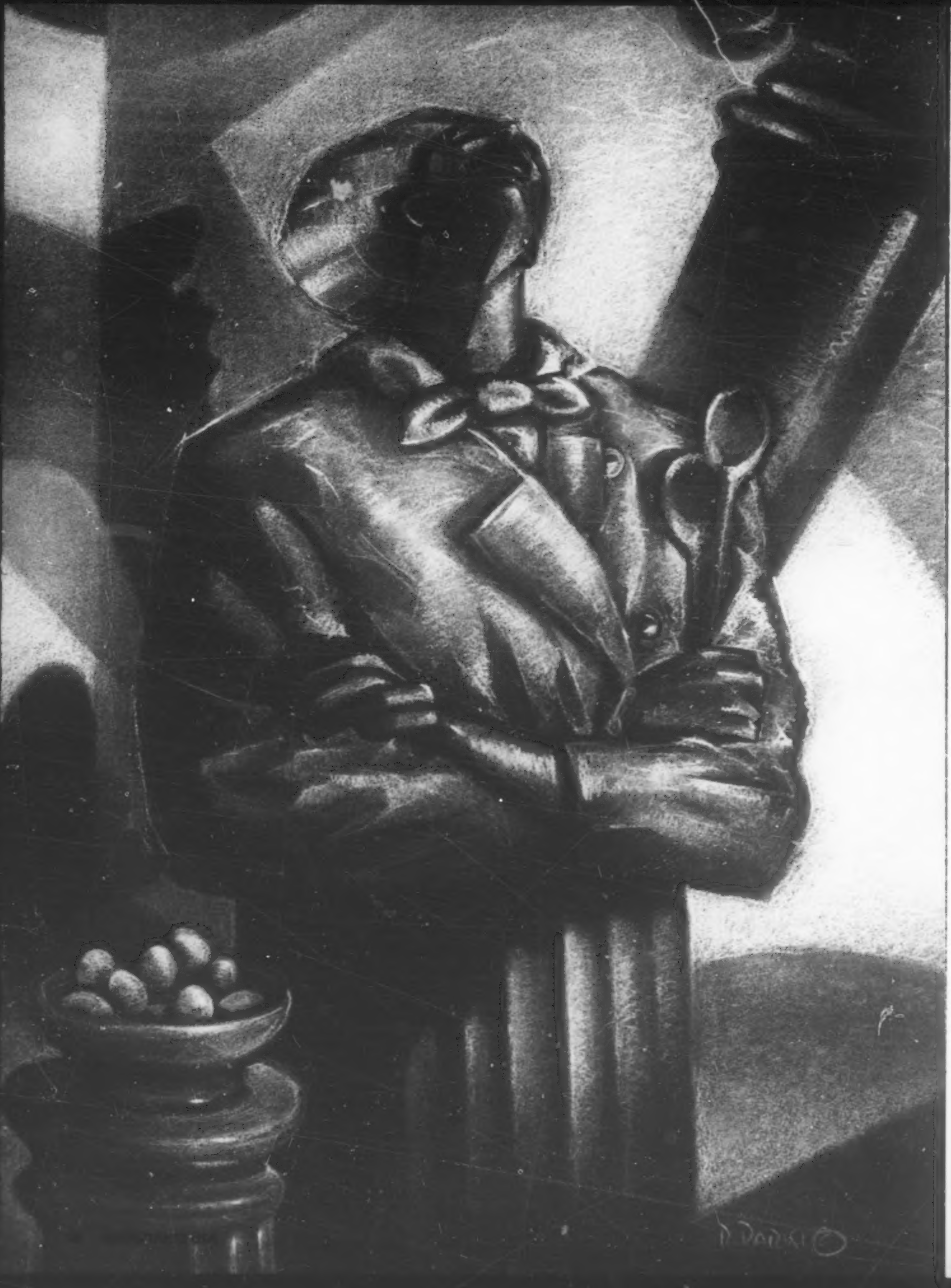
Like O'Connor, Winsten has seen an overwhelming positive response to HAP's designated-driver program, both from the media and in various community experiments. He also believes that the idea is becoming part of normal behavior and a question of personal responsibility. Recent statistics seem to indicate that use of designated drivers is climbing.

To order posters to display in your restaurant, send a check for the appropriate amount to the publications department at the National Restaurant Association. Be sure to indicate which poster you want.

—Melanie A. Crosby

New edition of “Help Prevent Drunk Driving”

To encourage alcohol awareness among all restaurateurs, the association recently revised the booklet, *Help Prevent Drunk Driving, A Restaurateur's Guide*. It describes the designated-driver concept, lays out some important guidelines and suggests ways that restaurants can publicize the program.



THE CREATIVE CHEFS NOBODY KNOWS

by Gary M. Stern

Just imagine if an actor won an Academy Award and no one heard about it, or if an Olympic gold medalist shunned publicity and chose to perform in obscurity. In publicity-conscious America, we would be stunned. But a certain type of chef has been cooking away from the limelight, yet steadily winning culinary kudos—the private-club chef.

It is no coincidence that of the 23 American chefs named to the 1992 Culinary Team USA—to compete in the IKA/HOGA competition or "Culinary Olympics" in Frankfurt in 1992—seven cook at private clubs. Keith Keogh, team manager for Team USA and executive chef of the Epcot Center in Orlando, Florida, says that "private clubs give a chef more flexibility in terms of creativity." Keogh explains that at private clubs a chef has the freedom to create five innovative dishes a night, while a restaurant's chef may often be limited to one experimental dish in order to conform to the eatery's predefined menu.

Rapport with customers

The chef's freedom to create, Keogh suggests, stems from trust. Customers trust the chef, and the chef builds up rapport with the clientele. Therefore he can be inspired to stretch his talents nightly.

Cooking for the 2 [illegible]00 members of the Cherokee Town and Country Club in Atlanta, which combines golf, tennis and swimming facilities with three restaurants, enabled chef Darryl E. Evans, a member of the southeast regional olympic team, to get to know many of his customers. While most restaurant chefs cook for an ever-changing clientele, private-dining-club chefs establish rapport with their customers. "You have to be attentive to their needs, and you have to give them something different and never be stagnant," notes Evans, who has since moved to Azalea in Atlanta.

Private-club chefs can often be seen walking through their dining rooms, eliciting feedback from the clientele. Listening to his customers, Alex Darvishi, executive chef at the Columbus Athletic Club in Columbus, Ohio, and a member of the national olympic team, has curtailed heavy sauces, fatty foods and heavy gravies and has instead moved to light vinaigrette sauces and more legumes (such as lentil ragus) for his nutrition-conscious patrons. Similarly, club members had been telling Darryl Evans and the other Cherokee Town and Country Club chefs that grilled salmon, snapper and dover sole are preferable to sirloin steak and other red meats.

Responsiveness to their clientele is one of the hallmarks of being a private-dining chef. For example, Richard Burr, executive chef at the St. Joseph Country Club in St. Joseph, Missouri, and a member of the central regional olympic team, flies in fresh salmon because he knows many of his midwestern diners crave fresh California fish.

"You're expected to have a good relationship with members. If they like you, you're fine. If they don't, you're in trouble," admits one chef. Diners go straight to the food and beverage manager to give feedback on what they like and what they abhor, he says. Restaurants may deal with hundreds of a people a night, but the more select members of a private club are encouraged to ask for alteration of a particular dish. Making these special dishes "encourages the chef to be more versatile," says Jim Singerling, executive vice president of the Club Managers Association of America, which is headquartered in Alexandria, Virginia.

A cooking challenge

Moreover, chefs at private clubs have a captive audience. "The average person can't come in," explains Michael Russell, executive chef at the Skyline Club in Southfield, Michigan (20 miles from Detroit), and a member of the national culinary team. A typical

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city restaurant can draw from a radius of a million people, but a private club usually serves only several hundred members. Cooking for the Skyline Club's 450 members "forces me to constantly develop new ideas, to come up with new food thoughts and presentations that will keep them coming back enthused," says Russell.

"It's a challenge that has made me a better chef by forcing me to expand my mind. It's like a parachute. Unless you open it, it's no good. It's forced me to set trends and be innovative," adds Russell. He is always looking to surprise his diners. For example, he has been roasting vegetables instead of just steaming or sauteeing them. The vegetables, he notes, "start to caramelize, which gives them a different flavor." He also likes to run starches together, taking navy beans, black-eyed peas and pinto beans and binding them together with a demiglace and a really good reduction of stock.

Darvishi explains that as a a private-club chef he has the freedom to experiment. He attends culinary shows and is constantly reading cookbooks and culinary magazines to keep abreast of trends. As long as the food tastes good and looks appealing, his managers and clientele encourage him to experiment. (Even as he was being interviewed for this article, Darvishi was preparing a new dish for the evening's menu, *veal Manhattan*—veal stuffed with lobster tail and spiced with fresh tarragon.) "At a club I can do almost anything. A chef at a restaurant or hotel has to go by a more fixed menu," he says.

A matter of economics

Singerling attributes the atmosphere of creativity encouraged in private clubs to economics. "Creativity takes more hours of a chef's time. Private clubs, because of dues supplements that they receive from members, do not have the fiscal restraints that exist at tabletop operations," he says.

Jack Braun, president of the American Culinary Federation, which cosponsors the olympic culinary event with the National Restaurant Association, notes that although club chefs operate with constrained budgets, they do not have to deal with strict food-cost percentages, as many restaurant chefs do. Costs can be kept down at meals because membership fees yield considerable income, and many private clubs, he suggests, operate on a nonprofit basis. Too often chefs at retail restaurants concentrate on profit and loss and are restricted to dishes that are safe and that they know will sell, notes Burr.

This doesn't mean the chefs are not cost-conscious. Carl Wendt, executive chef at the St. Francis Yacht Club in San Francisco, says that many private-club chefs face the same budgetary pressures as do other chefs.

Earning culinary stripes

Why have so many chefs at exclusive clubs earned their olympic-level stripes? Michael Russell says that cooking for a targeted audience hones one's skills. "Clubs tend to be elegant, tend to appeal to CEOs, presidents of companies and business executives. You're cooking for people who are upper-class, who can afford a little bit more and expect more from you." That, he claims, refines a chef's culinary talents. Several chefs mentioned that private-club members travel worldwide and have been exposed to international cuisines.

Most of the chefs interviewed attributed the time off permitted them to try out for the culinary olympics to supportive bosses and general managers; they paid for salaries and expenses while the chef was competing. Russell, for example, was off to Disney World every other weekend for practice sessions through early winter to train for the final olympic tryouts.

Clubs recognize that having their chef named a culinary olympics participant strengthens the club's reputation and motivates the chef. Being selected as a culinary-olympic chef, he says, is an educational experience for the chef. Darryl Evans asserts that being exposed to the most talented cooks in the country influenced his "hot-food cooking skills, presentations and banquets." When Russell returned from the olympic trials, he felt energized and rejuvenated. "I returned with new ideas and fine-tuned skills, and the club can say we have an olympic team member as chef," he says.

Having a chef selected for the culinary olympics, asserts Singerling, "is another star in the crown of a management team that has all the professionals functioning at a high level of excellence."

Lessons for other chefs

Are there lessons to be learned by table-top operators from the experience of private-club chefs? Michael Russell thinks so. Club chefs "have to keep an ear open to what the customer wants," he says. "I find that sometimes chefs in public places feel that 'if the customer doesn't come back, someone else will.' I can't afford to lose anyone. By listening to customers, they can pick up on new trends and set new trends."

Richard Burr recommends that chefs in public operations become "more attuned to the seasons. Too many chefs get trapped into locked-in menus and don't try to lift up their eyes and see what's out in the market. Customers want what's fresh in the supermarket."

Singerling adds that chefs perform certain tasks at private clubs, such as grand buffets and ice carving, which often are not executed at retail restaurants. This experience helps with food presentation. "We eat with our eyes first," says Aidan Murphy, executive chef at the Polo Club of Boca Raton. Since he began working at the private club, he has come to understand more about how the look of a buffet can make the difference between a diner eating or passing by.

Not in the public eye

Despite their culinary achievements, most chefs at private clubs often work anonymously—not many people know them, outside of their club members. While other chefs elicit raves from the local and national press, even local restaurant critics will not review meals at a private club, because they are reluctant to review a restaurant from which most of their readers are excluded.

But most chefs are willing to forego the limelight because, as Jim Singerling says, "Clubs allow a chef an opportunity to reach as high a level as he or she can reach. This allows the creative juices to flow." ❑

CATALAN CUISINE
NO LONGER UNDER WRAPS

In 1992 the summer Olympics will be held in Barcelona, Spain, and as a result there is sure to be a surge of interest in all things Catalan, including the food. Smart restaurateurs will take advantage of the heightened interest in Spanish food and wine by including Spanish and/or Catalan dishes on their menu and by planning their own promotions.

by Julie Fintel

There is a part of Spain where the main language isn't even Spanish, where they dance the sardena instead of flamenco, and the culture is more of a reflection of Europe than of the rest of the Iberian peninsula. This is Catalonia, in the northeast corner of Spain. In 1992 the summer Olympics will be held in Barcelona, this province's capital, and as a result, there is sure to be a surge of interest in all things Catalan, including the food.

The secret cuisine

One of the attractions of Catalan cuisine is that it is still relatively undiscovered. Once discovered, Catalan cuisine promises to delight. Colman Andrews, author of *Catalan Cuisine*, the definitive book on the subject, calls it "Europe's last great culinary secret. Closely related to other Mediterranean cuisines, it is both accessible and exotic, involving the use of well-known ingredients in unexpected combinations—tomatoes, eggplant, garlic, all kinds of game, beans and even pasta," says Andrews.

Many Americans already know about paella, gazpacho and tapas, but very few are familiar with *mar i muntanya* (sea and mountain), for example, the dish that combines chicken and lobster in a sauce with essence of chocolate, or the irresistible *crema Catalana*, the Catalonian version of creme brulee.

Soon the secret will be a secret no more. Besides the summer Olympics in Barcelona, two other major events in Spain in 1992 will thrust Spain and all things Spanish into the spotlight—a world's fair in Seville and the celebration of the 500th anniversary of the discovery of America by Columbus.

Julie Fintel is a communications specialist at the National Restaurant Association.

SALMO EN SALSA VERD (Sauteed salmon, clams & cilantro sauce)

Serves 1

Ingredients:
1 oz. olive oil
½ oz. garlic, finely chopped
½ oz. cilantro, chopped
½ oz. parsley, chopped
1 cup whipping cream
½ lemon
½ cup dry white wine
3 2-oz. salmon medallions or 1 5-oz. filet of salmon
3 cockle clams
1 oz. green peas
3 oz. clam juice

Method:
Add olive oil to medium saute pan and heat. Add garlic and lightly brown. Add salmon to pan, sliding the fish around swiftly to prevent sticking. Sear on both sides. Leave skin side down. Add lemon juice and white wine.

Allow the liquid to reduce to bubbles, then add the clam juice. Follow with the parsley and cilantro. Transfer to a glass baking dish. Place in preheated oven (350°F) for 10–15 minutes, or until juice reduces by ¾ of original contents. Once the salmon is fully cooked, return to original saute pan. Add peas and cream and simmer until sauce is formed.

Arrange on plate and pour sauce over fish. Garnish with clams.

—Courtesy of Marquesa

MAR I MUNTANYA (Chicken and Prawn Ragout)

Serves 4

Ingredients:
1 large chicken (about 3 lbs.), cut into 8 serving pieces
4 Tbs. olive oil
Salt and freshly ground pepper
Dash cinnamon
8–12 large shrimp (in the shell) or a 2-lb. lobster cut into pieces (tail, claws, head, etc.)
2 onions, chopped
2 Tbs. parsley, minced
1 bay leaf
½ tspn. thyme
4 large, ripe tomatoes (peeled, seeded and chopped)
1 cup dry white wine
2 Tbs. brandy
Dash of ground saffron
4 cloves garlic, minced
1 oz. each of ground hazelnuts and ground almonds
2 tspn. grated bitter chocolate

Method:
After seasoning the chicken pieces with salt, pepper and a dash of cinnamon, saute them in olive oil in large frying pan until golden brown on both sides. Remove chicken pieces to paper towels to absorb excess oil. In the same pan and oil, saute shrimp until they turn bright red. Remove to paper towels. (If using lobster pieces instead, put them in saucepan of salted water to cover, cover with lid, bring to boil. Then turn down heat to simmer for 30 minutes until lobster is bright red.)

Add lobster or shrimp and chicken to large flameproof casserole. Pour off excess oil from frying pan, saute onion until translucent. Add bay leaf, thyme, 1 Tbs. parsley and tomatoes. Stir and cook until mixture thickens slightly. Add wine and brandy, stir. Simmer until reduced by one-half. Remove bay leaf and add one cup water. Stir and pour sauce over the chicken and shellfish in the casserole. Bring to a simmer, covered, over low heat.

In a blender or food processor combine the garlic, saffron, remaining parsley, nuts and chocolate with 1–2 Tbs. of the cooking liquid from the casserole. Add this mixture to the casserole and stir it in to blend with the cooking liquid. Continue to simmer, covered, until the chicken is tender. To serve, the lobster should be removed from the shell. Divide the chicken and shellfish pieces evenly on 4 plates. Pour the sauce over the meat.

A crisp salad, warm bread and a dry white wine make this delicious dish into a complete meal.

—Courtesy of Eldorado Petit

SARSUELA ("Seafood Operetta")

Serves 2

Ingredients:
2 Tbs. olive oil
1 Tbs. minced garlic
1 cup diced onions
2 bay leaves
1 tspn. thyme
Pinch of rosemary
4-oz. tuna filet
1 lobster tail
4 clams
4 mussels
4 scallops
2 shrimp
Pinch of crushed red peppers
1 Tbs. lemon juice
2 Tbs. white wine
3 cups tomato sauce
Salt to taste
1 tspn. cilantro
1 Tbs. ground almonds
2 Tbs. grated romano cheese
8 oz. linguini

Method:
In olive oil, saute garlic, onions, bay leaves, thyme and rosemary until tender. Add seafood to olive-oil mixture and continue to saute for five minutes. Add lemon, peppers and wine and reduce, then add tomato sauce and simmer for 20–25 minutes. Serve over linguini and garnish with ground almonds, cilantro and cheese.

—Courtesy of Marquesa

In addition, Spain's entry into the Common Market has resulted in a push to sell Spanish products in the United States. The Commercial Offices of Spain, sponsored by the Spanish government, have been set up in major U.S. cities to promote Spanish products. They supply information and sponsor tastings, annual culinary weeks, visits from Spanish chefs and exhibits at trade shows.

Another group that will be working to make Americans more aware of the attraction of Spanish food is ADREUSA (Asociacion de Restaurantes Espanoles en USA), an organization of Spanish restaurants in the United States. President Ramon San Martin, owner of Cafe San Martin in New York City, says ADREUSA was formed because the members thought Spanish food was not as well represented in the United States as it could be. In addition to being a support group for each other, the 40 restaurant owners who are members of ADREUSA are talking about staging special activities in connection with the events taking place in Spain in 1992.

As 1992 draws closer, look for even more publicity and many more promotions of Spanish foods and wines. How is the public likely to respond? Quite favorably. According to a recent National Restaurant Association study, nearly half the respondents said they wish more ethnic foods were available at restaurants. Most Americans already have access

Marquesa, at the Scottsdale Princess Resort, gives customers a taste of Catalonia in its decor as well as in its flavorful cuisine.

to Chinese, Mexican and Italian foods. The same survey showed that consumers were ready to broaden their horizons by moving on to something different. That something different could be Catalan food.

Catalan cuisine up close

Although Catalan cooking shares many characteristics with the cooking of the rest of Spain, there are certain features that set it apart. Primarily, Catalan cuisine is Mediterranean in character, which is why, according to Andrews, Americans should take to it instinctively. Ingredients popular in the rest of the Mediterranean area, such as eggplant, onions, green and red peppers, parsley, tomatoes and seafood, are basics in Catalan dishes. "Americans already are familiar with, and like, these ingredients," notes Andrews. "They don't have to learn first before they can appreciate Catalan cuisine. Catalan cuisine already has a point of connection for us."

Like the rest of Spanish food, Catalan cuisine also uses olive oil, olives, nuts and figs; and there's hardly a dish that doesn't contain at least a touch of garlic. But there is also a French influence, understandable

CREMA CATALANA

Serves 1

Ingredients:

½ cup caramel ice cream
2 tspn. Aguardiente or Grappa
½ cup raspberries (if available);
otherwise, use any fresh berry
1 tspn. powdered sugar

Method:

Fill one small souffle cup with the berries, Aguardiente and caramel ice cream. Sprinkle powdered sugar on top. Put one cup under the broiler until sugar is brown and serve in the same dish.

—Courtesy of Marquesa

since France is just over the mountains to the north, and some things are reminiscent of Italy—pasta figures prominently in many Catalan dishes.

However, the Catalan region has put its own distinct mark on its style of cuisine. For example, almonds are an ingredient found not only in desserts but also in soups and sauces, where they are ground up for thickening as well as for flavor. Chocolate is another unexpected ingredient in sauces.

Catalans like unusual combinations, like the seafood and poultry in the *mar i muntanya*, which is not just a surf-and-turf with the lobster and chicken served by side by side, but a dish where the seafood and chicken are cooked together to make a kind of ragout. Meat and fruit are combined, too, as in baby goose or duck with pears, or pork with prunes, or chicken with figs.

It is the new way of using a lot of familiar ingredients that appeals to people acquainted with other Mediterranean cuisines, says Andrews. "Catalan food uses the same ingredients that are used in Italy and the south of France, but it puts them together in unfamiliar ways. It's like hearing a new interpretation of one of your favorite records," he says.

"Catalan cooking ties everything together—Spanish, French, Portuguese," says Philipe La Mancusa, executive chef at Avenue Grill in Mill Valley, California. "It's kind of Middle Eastern, but it's not Middle Eastern. It's kind of Mediterranean, but it's not Mediterranean. It's almost spicy, but it's not."

La Mancusa chose Catalan dishes as the cuisine for one of his restaurant's theme nights after reading Andrews's book, which was published in 1988. Although Catalan cooking represented a blank spot in his culinary knowledge, he is now enthusiastic about it, and so are the customers—although he admits his dishes aren't 100 percent authentic. His method is to use local products prepared in the Catalan style. For example, La Mancusa has prepared a grilled swordfish with roast garlic, olive oil and parsley, even though swordfish is not one of the fish used by Catalans.

Discovering Catalan food in the United States

Catalan restaurants are still few and far between in the United States, but at least two new ones—Eldorado Petit and Paradis Barcelona—have been opened in the past year in New York City by Catalans who have been operating successful restaurants in Barcelona and on Catalonia's Costa Brava for many years. Their owners, Lluis and Marc Cnianyas of Eldorado Petit and Armando Bejar of Paradis Barcelona, travel back and forth between New York and Barcelona to oversee operation of the restaurants. At Paradis Barcelona employees go back and forth, too—the restaurant runs an exchange program for its approximately 50 employees, sending them to work in the Barcelona restaurant so they can learn firsthand about Catalonia and its food.

Francisco Rodriguez, who received his early training in Catalan cooking in a five-star hotel on the Costa Brava, the resort area on the Mediterranean, now is teaching his customers about Catalan dishes at his restaurant, Cervantes, in Dumfries, Virginia. To ensure that patrons try the unfamiliar dishes, Rodriguez has a long list of Catalan specials that changes every day, and he has trained his staff to explain the dishes so that customers will be inspired to try them. "Once they try them, they like them," he says.

Marquesa, the fine-dining room of Arizona's Scottsdale Princess Resort, originally served continental food, but it switched to Catalan food two years ago. Keeley Ast, director of public relations, says the restaurant was looking for something different; and after reading Andrews's book, the staff thought Catalan food might be a good choice "because it is unique, flavorful and lends itself to beautiful presentations." "It took off immediately," she adds. Now the restaurant even incorporates Catalan dishes into its successful Sunday brunch on the terrace.

Five Catalan sauces

Sauces are the foundations of Catalan cuisine, writes Andrews, but he is quick to add that they "aren't really sauces in the conventional French or Italian sense." An American chef who masters any or all of these "sauces" can use them in authentic Catalan dishes or to lend a different twist to traditional American dishes.

There are four principal Catalan sauces: *allioli, sofregit, picada* and *samfainia*. *Allioli* is an emulsion of garlic and olive oil and sometimes eggs. It is used to liven up meats, fowl, grilled fish, stews and some rice and pasta sauces, but it is primarily a condiment. Some restaurants place a dish of allioli on every table to dribble onto bread.

Picada, called the Catalan "roux" by Andrews, is a dense paste made of garlic, fried bread, parsley, ground toasted almonds or hazelnuts and olive oil. Other ingredients, such as chocolate, saffron and parsley, are often added, too. The tiny bit of chocolate adds tartness to the sauce, not a

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For full-service restaurants, maintaining a high level of value perception is becoming the "acid test" of the 1990s. The full-service segment is not only more competitive than ever before, but the trend towards "casualization" is also rapidly becoming a standard among fine-dining establishments across the country. Menus are being downscaled and simplified to provide a lower average check, while still offering the guest an enjoyable dining experience in a more casual and relaxed atmosphere.

Menu differentiation is critical, too. It can take a variety of forms, but the key is still delivering high-quality food products made from the freshest possible raw ingredients served in as pure and unspoiled a state as possible. Preparation of menu items from scratch "to order" is a major advantage when servers are introducing both core menu items and daily specials to guests.

However, most kitchen managers and chefs manage their food-product inventory and menu items so as to have plenty of each selection always on hand. Their perception is that

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cloying sweetness. The picada is usually stirred into the pot five or 10 minutes before the dish is finished.

Sofregit mixes long-cooked onions with tomatoes, garlic and herbs. It is traditionally the first thing that goes into the pot for almost every sauced or stewed dish. Sofregit and picada are almost always used in tandem.

Samfaina, similar to ratatouille, combines tomatoes, eggplant and onions simmered in oil. Samfaina is used either as a sauce by pureeing or as a vegetable dish.

A fifth sauce, *Romesco*, is identified with the city of Tarragona, 60 miles down the coast from Barcelona. Its basic ingredients are pulverized almonds and hazelnuts, dried sweet peppers and tomatoes. Romesco is used to enhance fish dishes, as a sauce for green onions, or as a salad dressing.

Catalonia—land of seafood

It would be hard to have a Catalan meal without including at least one seafood dish. Perhaps the most popular Catalan seafood dish of all is *zarzuela mariscos* (sarsuela in Catalan), a casserole of fish and shellfish, literally translated as "light operetta of seafood." Spanish restaurants of all kinds usually offer it, finding it to be almost as popular as paella. (See recipe.)

Each region of Spain has its own stew, and Catalonia is no exception. Called *suquet*, Catalan's stew features seafood as its main ingredient. At Eldorado Petit, a Catalan restaurant in New York City, the suquet uses cod, monkfish or grouper, shrimp and prawns, embellished with onions, potatoes and tomatoes—all thickened with a picada sauce.

The controversial bacalao

When writing about seafood in Spain some mention must be made of

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VIEWPOINT

ALWAYS "SELL OUT" NEVER "RUN OUT"

The goal should always be to minimize the handling, wrapping and preservation of any menu item from one day to the next to insure that the highest possible standards of quality are maintained.

by Bill Main

when a guest is ordering a particular menu selection, the restaurant should never be "out" of that item.

This longstanding kitchen-management mindset is deeply ingrained. But it can be counterproductive. When prepped items are not sold and have to be carried over until the next day, quality suffers and waste occurs, leading ultimately to higher food costs.

It is my strong belief that menus should be engineered so that items are designed to automatically "sell out." If historical data suggest that 25 orders of an item are likely to be sold, I recommend prepping 20 orders. In this way, lower food inventories can be established, and the items sold will always be fresh and of the highest possible quality. The goal should always be to minimize the handling, wrapping and preservation of any menu item from one day to the next to insure that the highest possible standards of quality are maintained.

This practice of "selling out" is especially important with daily specials, which over time can become signature items. There is no better method of stimulating word-of-mouth advertising than to become famous and well known, for example, for the "best Buffalo Wings in town." Indeed, a restaurant's professional image and market identity can virtually be built around these unique signature items.

Guests will assume that extra care and effort will be given to the preparation of these menu items and that they will be fresh, interesting and of superior quality. That is why these items should never carry over.

To be effective, however, the practice of "selling out" must be *carefully* explained to servers in the context of a restaurant's commitment to quality and freshness. If a restaurant does sell out of an item, servers must be taught to tell the guest that items have been "sold out"—*never* that the kitchen has "run out." The phrases have much different connotations in the minds of guests. When a restaurant "sells out" of an item, this suggests popularity and quality, and guests more readily make an alternative selection. However, if guests are told that the restaurant has simply "run out" of an item, they tend to believe that the kitchen is disorganized and irresponsible, and this creates a negative image. It is easy for a server to explain the policy of only preparing menu items to be sold during each shift as a way to *enhance and protect* the restaurant's absolute dedication to delivering only the freshest and highest-quality food products.

It is not easy to train servers to adopt this approach. Habitually, we all explain the lack of availability of a menu item or daily special by saying we have "run out." Therefore, managers and servers alike must concentrate on constantly repeating the "sold out" philosophy. However, in the final analysis, I know of few better ways of reinforcing a restaurant's commitment to service, value, quality and freshness.

bacalao (bacalla in Catalan) or dried salted cod. Catalan restaurateurs in the United States say Americans are usually afraid to order bacalao, picturing it as something dry, salty and strongly fishy. Just the opposite is true.

How it's tempered, or desalted, is the key. The cod is soaked and rinsed until it loses its salt flavor and becomes light and delicate—something of a gastronomic marvel, according to Andrews. Josie Prado, owner of La Masia, a Spanish restaurant in West Hollywood, California, lets reluctant customers sample a small taste of the bacalao. She says they end up loving it, especially when it is served on a bed of fresh tomato sauce and topped with fresh mayonnaise laced with garlic. At Eldorado Petit, bacalao is served in a salad with white beans, coriander and lamb's lettuce. Manager John Baran believes that customers who like sushi are sure to like bacalao.

More Catalan dishes

"Catalan cuisine is essentially natural, and it is easy," writes Andrews. One of the simplest of Catalan foods, but one of the most memorable, is *pa amb tomaquet*, grilled country bread rubbed with tomatoes, olive oil and garlic and topped with anchovies or ham. Sometimes diners are served a plate with chunks of bread, tomato and garlic cloves so they can make their own pa amb tomaquet.

Drawing on the bounty of produce available in Catalonia is the popular dish *escalivada*, which translates from Catalan to "an arrangement of vegetables that have been cooked in ashes (or on a wood-burning grill)." The eggplant, peppers and onions, with their slight smoky flavor, are served as an appetizer or an accompaniment to a main dish. Another popular dish is *esqueixada*, a salad made with raw, marinated fish, something like ceviche.

Elsewhere in Spain flan is the dessert of choice, but in Catalonia it's *crema Catalana*, a custard cooked on top of the stove, allowed to set and then coated with caramelized sugar. An ice-cream version has chunks of the caramelized sugar mixed into the frozen custard.

Cavas sparkle

Many Americans are still unfamiliar with the name *cava*, as applied to Spanish sparkling wines. That's understandable, since the term, which means "cave" or "cellar," has only been used since 1986 as the official name for the Spanish wines made by the *methode champenoise*. Along with the new name came new guidelines to ensure that the wines were only of the highest quality. Today, if you wish, you may still refer to cavas as Spanish champagne, but in 1994 the name champagne will only be allowed for use on bottles of champagne from the French province of that name.

Cavas are not meant to be a copy of French champagne or a substitute. Even though the method of making the wine is the same, the different variety of grapes used gives the Spanish cavas their own distinct taste. Wine experts have described cavas as fresh, fruity and elegant.

As Spain enters the European Economic Community and steps up her exports to the world, cavas are rapidly growing in popularity. The latest figures show an annual production of 120 million bottles of cava, compared to 200 million bottles of champagne produced in France. That number is expected to increase rapidly.

Almost all cavas (95 percent) come from Catalonia, especially the Penedes region south of Barcelona. There are two major wineries that export cavas to the United States, Freixenet and Codorniu. Freixenet's best known cava is Cordon Negro Brut. Codorniu's Non Plus Ultra has been the top-selling cava in Spain for many years, but recently the winery has begun producing cavas with chardonnay in the blend. Anna de Codorniu Bruit Reserva has a 15 percent mix of chardonnay, while Raimal Blanco de Blancs is 85 percent chardonnay.

When shopping for cavas, look for the four-pointed star on the cork. It distinguishes the cavas from Spanish sparkling wines of a lesser quality.

Promoting Catalan food

As interest in the 1992 summer Olympics heats up, savvy restaurateurs are sure to plan some promotions around Catalan specialties.

At Chez Panisse, Berkeley, California, the annual Bastille Day garlic dinner featured all Catalan dishes this summer. Owner/chef Alice Waters reports her customers loved everything; but a Catalan pasta dish with small noodles browned in oil and then prepared like a risotto in a rich fish stock was such a hit that she plans to do untold variations on it in the future. On her menu for that evening, Waters also included a scallion dish with Romesco sauce (to which she added onions and leeks) and a salt-cod salad.

Last March, Victoria Rogers, commercial director of the year-old Paradis Barcelona in New York City, staged "It's a wild, wild mushroom festival." From Barcelona she brought several varieties of wild mushrooms not found in the United States, along with an expert to explain them and three guest chefs to prepare 30 dishes using the mushrooms. She put the mushrooms in jars and labeled them with their scientific names and pictures. She then put the jars on a display table for customers to examine.

Because of the success of the mushroom festival, Rogers is now planning a rice festival that will feature 30 kinds of rice dishes, including the original paella, which has cod as its principal ingredient.

With tapas more popular than ever, a wine tasting with tapas is a another natural promotion. For a spring and summer "tapas and cavas" festival, Paradis Barcelona had on hand more than 40 tapas for customers to nibble on while sampling *cavas* (Spanish sparkling wines—see sidebar). The Penedes region in Catalonia is one of the major wine-producing areas of Spain, so it would be easy to limit wine choices to Catalan varieties.

One can take the wine tasting a step further and turn it into a wine dinner, with Catalan dishes and wines as the theme (for more ideas, see article in June/July 1990 ***Restaurants USA*** on special events). For help in planning wine tastings or wine dinners, contact the offices of Foods from Spain, 405 Lexington Avenue, 44th floor, New York, New York 10174—(212) 661-2787; or Wines from Spain, at the same address—(212) 661-4814.

Telling the secret

1992 is a short two years away. Begin now to let your customers in on the secret of Catalan cuisine. It's a secret worth knowing and sharing. ❑

by Martin D. Mick

IMPROVING FOOD COST WITH THE KEY-ITEM REPORT

In an age of growing pressure on restaurant profit margins, it has never been more important, or more difficult, to keep a tight rein on food cost. Market saturation, a sluggish economy, mounting government regulation and overall higher operating expenses have intensified the urgency for foodservice operations to keep costs as low as possible.

As we all know, restaurant managers are beset daily with myriad demands and distractions and have precious little time to react. Because managers are pulled in a dozen directions at once, they must find ways to get to the *core* of problems quickly. Yet, it is often said that people spend 80 percent of their time worrying about 20 percent of a problem. It is time to turn that 80/20 rule on its head and spend 20 percent of the time (or less) dealing with 80 percent of the problem.

The Key-Item Report addresses these concerns. It is one successful method for making rapid improvements in perhaps the most elusive of restaurant controls—food costs—and then maintaining acceptable usage levels on a weekly basis, all with a minimum of time and paperwork.

The principle is quite simple—worry most about those items that are high in usage or high in cost. An analysis of food costs usually reveals that a large proportion of food dollars is expended for a relatively small number of items. Here is where 80 percent of the food-cost problem will be found. By identifying those "key" items and tracking their use, it becomes possible to establish trends. In a well-running restaurant, usage will be remarkably consistent over time. Usage outside an acceptable variance is warning of potential trouble. Since the Key-Item Report is compiled on a weekly—rather than monthly—basis, rapid corrections are possible.

Choosing key items

Careful thought should be given to what items are to be tracked. In general, the fewer the items, the better. A dozen items is probably the upper limit of what a manager can effectively deal with at one time. Of course, once satisfactory results have been obtained for a period of time, one can always choose to change some (or all) of the key items. The first and main point is to keep the process simple.

Second, items should be chosen that are used in the same way consistently and that represent a "constant" on the menu. Ingredients used in specials are not good choices for key items, because, by their very nature, specials change all the time. Thus it would be impossible to get meaningful information on usage.

Third, items that appear as ingredients in a number of different menu offerings should be avoided. For example, olive oil, although certainly high in cost, may be a poor choice for tracking because the restaurant uses it in too many different ways. Since some olive oil may be stored in prepped form in a number of dressings or in cruets on each table and some may be held in bulk in the storeroom, it may be too difficult to determine how much olive oil is actually on hand.

Key items need not be restricted to food. The same method can be applied to liquor, paper goods or any other item used by an operation. In all cases the analysis should be as

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Figure 1

Key-Item Inventory And Purchase Record

Date of beginning inventory: ____________________
Taken by: ____________________

	Item 1	**Item 2**	**Item 3**
Beginning inventory			
Purchases:			
Sun			
Mon			
Tue			
Wed			
Thu			
Fri			
Sat			
– Ending inventory			
= Usage			

Date of ending inventory: ____________________
Taken by: ____________________

Note: *Be certain inventories and purchases are expressed in the same units.*

specific to usage as possible. For example, liquor usage should be computed by using liquor sales, glassware to total (food and liquor) sales, etc.

Computing weekly usage

The old computer expression "garbage in—garbage out" is very appropriate here. Without accurate information, the Key-Item Report will be useless. Figure 1 illustrates a sample inventory tracking form that is easy to use. At the beginning of the week, an inventory is taken. This must be a count of the same item wherever and in whatever form it is present and unsold in the restaurant. It may be in bulk in a storeroom or freezer, on the serving line in the kitchen, work in progress, finished prep or out in the dining room.

During the week, delivery of key items is noted in the space provided in each column.

At the end of the week a second inventory is taken. This ending inventory is subtracted from the sum of new purchases plus the beginning inventory. The figure derived is the amount of an item used during the week. This figure may be expressed in dollars, as a percentage of total sales, or in units of an item used. My preference is the latter choice, because it is more easily understood by employees. It is far more meaningful to advise a cook that his or her usage of steak increased 150 pounds over the previous week than to say usage was up 9 percent—because pounds is the format used every day.

Weekly comparisons

Because business volumes are not constant, an operation needs a method for smoothing out fluctuations in sales, so that valid weekly comparisons can be made. In the illustration above, what we do not know is whether weekly food sales also increased 9 percent, thereby probably explaining the increase in steak used.

My approach has been to break usage down into units used per $1,000 of food sales. This provides a number that evens out sales fluctuations. (The formula for obtaining this number is usage times 1,000 divided by food sales.) Furthermore, it is a value that measures usage on a more incremental level. Therefore it becomes easier for a manager to monitor usage and react to changes. With this new information, the manager can then revisit the worried cook and examine numbers that will tell whether steak usage did, in fact, increase over the previous week. And if so, he or she can then determine how many pounds per $1,000 of food sales the increase represented.

Analyzing the data

As shown in Figure 2, the usage figures derived show a clear trend that allows for weekly comparisons (see sidebar for a discussion of the data). A period of four to six weeks may be required before a pattern emerges. If the numbers remain erratic, fluctuating wildly from week to week, several problems need to be considered—poor data (inventory, purchase records), pilferage or very lax controls in foodhandling procedures.

The first task is to establish consistency in the numbers. That process in and of itself will improve food cost. Once the numbers are consistent, then management can begin efforts to reduce usage. More often than not the fluctuation is a training/personnel

Looking at real numbers: five examples

Figure 2 illustrates actual data accumulated on a breakfast/lunch operation. Key items chosen reflect those in heavy use. Usage is expressed in units per $1,000 of food sales. The unit of an item is displayed in the column "InvPack." Hence, cheese usage is listed in pounds, eggs are by the dozen and fresh juice is by the gallon.

Coffee, which represents 15 percent of sales, was found to be heavily wasted. After this item was monitored for eight weeks, usage dropped 45 percent, primarily through more careful preparation. Coffee grinders and brewing equipment were recalibrated to accurately dispense the proper portions. In addition, we discovered that the staff was pouring out large amounts of coffee at the end of each shift. By paying more careful attention to when a new pot needed to be brewed, thousands of lost dollars are now being saved.

Fresh juice had a less dramatic solution. Because it was discovered that fresh juice was a favorite with employ-issue. It is crucial to ensure that recipes and portion guidelines are adhered to and that waste is reduced with a vengeance.

After sufficient data have been accumulated, it becomes possible to establish targeted goals for usage. Variance from the goal indicates the need for further attention. (It must be emphasized that initially no one will know what an acceptable usage goal for a particular item in the restaurant should be. Every restaurant is different. Time and investigation will lead the manager to a solution.)

It is important to remember that the Key-Item Report suggests the *possibility* of problems. It should be thought of as a tickler system that highlights the need to ask questions. In some cases there may be a valid reason why usage of a particular item jumped.

In multi-unit operations, comparison between restaurants can be made, provided the sales mix and reporting format is similar.

ees, employees were encouraged to cut back their consumption. Since the change was implemented, consumption has remained flat at about 1.8 gallons per $1,000 of food sales. The manager is satisfied with this level of usage.

The use of eggs was erratic. The manager learned that omelets, a big seller, vary widely in size depending upon who is cooking. Retraining was required to correct this problem. The large jump of 4/8/90, however, remained unexplained, suggesting possible waste, poor inventory or pilferage.

Jarlsberg cheese and turkey were consistent in their usage, including the jump for the two weeks ending 4/22 and 4/29. In investigating the cause for the increase, the manager realized his usual sandwich man was on vacation. The fill-in cook was apparently very generous and/or wasteful in his preparation.

Generally staff has been responsive in helping to control usage. The kitchen seems to need attention, with retraining on portion control high on the list.

Because the usage numbers are not erratic, they suggest proper recordkeeping and an absence of key-item theft.

Figure 2

Key-Item Report

It#	Item	W/E date	InvPack	Usage	Food sales	Usage per $1000 food sales
78	Cheese, Jarlsburg					
		3/11/90	1#	30.3	$22,469.	1.35
		3/18/90	1#	28.8	23,515.	1.22
		3/25/90	1#	28.9	24,215.	1.19
		4/08/90	1#	28.3	26,011.	1.09
		4/15/90	1#	25.5	25,250.	1.01
		4/22/90	1#	83.0	25,921.	3.20
		4/29/90	1#	73.3	27,784.	2.64
		5/06/90	1#	28.5	24,370.	1.17
931	Coffee—reg and decaf					
		3/11/90	1#	198.5	22,469.	8.83
		3/18/90	1#	185.5	23,515.	7.89
		3/25/90	1#	177.0	24,215.	7.31
		4/08/90	1#	148.5	26,011.	5.71
		4/15/90	1#	136.0	25,250.	5.39
		4/22/90	1#	145.0	25,921.	5.59
		4/29/90	1#	127.0	27,784.	4.57
		5/06/90	1#	118.0	24,370.	4.84
81	Eggs, large grade A					
		3/11/90	1/dz	276.0	22,469.	12.28
		3/18/90	1/dz	230.0	23,515.	9.78
		3/25/90	1/dz	214.0	24,215.	8.84
		4/08/90	1/dz	270.0	26,011.	10.38
		4/15/90	1/dz	197.0	25,250.	7.80
		4/22/90	1/dz	210.0	25,921.	8.10
		4/29/90	1/dz	255.0	27,784.	9.18
		5/06/90	1/dz	210.0	24,370.	8.62
933	Juice, fresh—orange, grapefruit					
		3/11/90	1/gal	53.0	22,469.	2.36
		3/18/90	1/gal	56.0	23,515.	2.38
		3/25/90	1/gal	52.0	24,215.	2.15
		4/08/90	1/gal	44.0	26,011.	1.69
		4/15/90	1/gal	56.0	25,250.	2.22
		4/22/90	1/gal	46.0	25,921.	1.77
		4/29/90	1/gal	49.0	27,784.	1.76
		5/06/90	1/gal	44.0	24,370.	1.81
16	Turkey breast, unit of measure/price					
		3/11/90	1#	27.7	22,469.	1.23
		3/18/90	1#	24.3	23,515.	1.03
		3/25/90	1#	24.9	24,215.	1.03
		4/08/90	1#	27.8	26,011.	1.07
		4/15/90	1#	31.5	25,250.	1.25
		4/22/90	1#	53.7	25,921.	2.07
		4/29/90	1#	49.6	27,784.	1.79
		5/06/90	1#	33.4	24,370.	1.37

Summation

To be successful at controlling food costs requires the support and participation of *everyone* involved in the handling, preparation and serving of food. It may require breaking old habits and can call for significant retraining. It will definitely require constant monitoring. As with any human process, the manager cannot assume that once taught, the system will maintain itself. ❑

THE CHUTNEY

I have met the future, and c

In today's health-driven environment, traditional sauces, such as a delicate hollandaise or creamy alfredo, are like rotary phones in an office of touch-tones: They served another generation well, but now they seem anachronistic and unappealing.

Chutney, a sweet-and-sour, vinegar-based condiment, has emerged as one of the pillars of the adventurous, post–mother sauce era. Made from a variety of seasonal fruit and vegetables, it is popular with customers. For the guest with the discerning palate, chutney offers a kaleidoscope of complex flavors—from mildly sweet and fruity to fiery and tart. For the health-conscious customer, it has no cholesterol or oil and negligible salt. And for the chef, it is as easy to prepare as soup, can be made days ahead and can be refrigerated for several weeks.

A serendipitous encounter

I first learned about the vast potential of chutney at a swank Boston cafe where I was briefly employed as a manager. Through a trendy haze of purple eggplant and wilting radicchio emerged a genuinely rewarding dish: a chicken-breast sandwich topped with Major Grey's chutney. The customers raved about this intriguing combination.

Years later I recreated the dish at my own restaurant; but unable to locate any Major Grey's—that sweet, generic chutney made from mangoes—I cautiously brewed my first batch of homemade chutney. The result was sublimely inspiring. It was a fragrant blend of fruit, onions and vinegar, accented with ginger, garlic, curry seasonings and hot spices. The savory condiment imparted varying degrees of sweetness, tartness and spiciness. I had crossed a new epicurean frontier, and the borders were unlimited.

I soon discovered a wide array of ingredients that yielded wonderful chutneys: apples, pears, peaches, tomatoes, pineapples, cranberries, rhubarb and many other fruits and vegetables. And my enthusiasm was fueled the more by the overwhelming positive responses of restaurant customers, some of whom offered to buy the chutney to take home.

Chutneys are suprisingly easy to make. All of the ingredients, except the ginger and garlic, are coarsely chopped and combined with vinegar and seasonings and then simmered. (The ginger and garlic are minced and then added.) After about an hour, the condiment cooks to a chunky, jam-like consistency and is transformed into a thick, colorful potion with a rich fragrance. It is also easy to make the chutney hotter, sweeter or more tart by adjusting the amount of vinegar, sugar, hot seasonings or fruit.

Myriad applications

I soon began incorporating chutney into my menu. A grilled-chicken-teriyaki sandwich topped with pineapple chutney became my restaurant's most popular lunch item, and I offered chutney as a topping for hamburgers, grilled pork loin, and ham specials. Tomato-and-apple chutney added zest and spice to steamed vegetables. For a refreshing curried salad with pasta, chicken, tuna or shrimp, I added chutney to the basic recipe. For an easy and exotic side dish with baked sweet potatoes, new potatoes or winter squash, I served my version of mango chutney (spicier than and not as sweet as the commercial brand) in place of sour cream or butter.

Chutneys complement roast turkey, lamb, chicken and Cornish game hens. They can be served in place of jams with scones or muffins. Chutneys can be added to curry dishes, soups, salad dressings and omelets, or served in place of mayonnaise with roast beef, turkey, ham or cheese

CHICKEN INDIENNE W

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Ingredients:
2 Tbs. butter
1½ lbs. skinless and boneless chicken breasts, diced
1½ cups fresh pineapple, diced
1 medium onion, diced
2 Tbs. dry white wine
1 Tbs. curry powder
2 tspn. ground cumin
⅛ tspn. black pepper
⅛ tspn. cayenne pepper
2 cups cranberry chutney
2 cups banana raita or plain yogurt (optional)

MANGO CHUTNEY

Yields 3 cups

Ingredients:
2 mangoes, peeled, pitted and chopped
¾ cup diced onion
1 apple or pear, diced
½ cup brown sugar
1 cup red wine vinegar
1 fresh red chili pepper, seeded and minced
1½ Tbs. minced fresh ginger root
4 to 6 garlic cloves, minced
¼ tspn. salt
⅛ tspn. cayenne pepper
⅛ tspn. ground cloves

Method:
Combine all ingredients in a nonreactive saucepan and cook over low heat, stirring occasionally. Simmer for 30 to 40 minutes, until mixture has a chunky, jam-like consistency.

Allow the chutney to cool to room temperature, and then refrigerate. If refrigerated, the chutney should keep for 2 to 3 weeks.

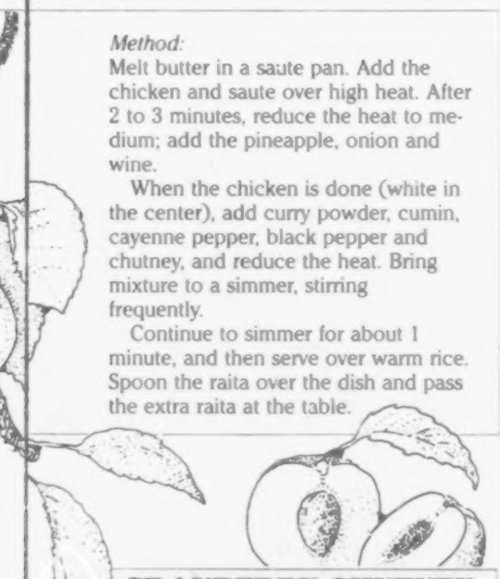
by Jay Solomon

INTRIGUE

hutney is featured on the menu.

T CRANBERRY CHUTNEY

ves to 4



Method:
Melt butter in a saute pan. Add the chicken and saute over high heat. After 2 to 3 minutes, reduce the heat to medium; add the pineapple, onion and wine.

When the chicken is done (white in the center), add curry powder, cumin, cayenne pepper, black pepper and chutney, and reduce the heat. Bring mixture to a simmer, stirring frequently.

Continue to simmer for about 1 minute, and then serve over warm rice. Spoon the raita over the dish and pass the extra raita at the table.

CRANBERRY CHUTNEY

Yields 3½ cups

Ingredients:
- 12 oz. fresh or frozen cranberries
- 1 large apple, diced (do not peel)
- 1 pear, diced (do not peel)
- 1 medium onion, diced
- 8 to 10 garlic cloves, minced
- 2 Tbs. minced fresh ginger root
- ¾ cup brown sugar
- ½ cup raisins
- 2¼ cups red wine vinegar
- ½ tspn. salt (optional)

Method:
Combine all of the ingredients in a nonreactive saucepan and cook over low heat, stirring occasionally. Simmer for 20 to 30 minutes until the mixture has a jam-like consistency.

Allow the chutney to cool to room temperature; refrigerate. If refrigerated, it should keep for 3 to 4 weeks.

sandwiches . Chutney can also be used as a bold, tangy sauce. Chicken Indienne is a succulent dish I make with cranberry chutney; it consistently wins praise from my restaurant patrons. (See recipe.)

The versatility of chutney makes it an ideal ingredient for lunch and dinner specials. Although cranberry-apple chutney is featured on my regular menu, I offer seasonal chutneys, as specials: In June, I use rhubarb, plums and apricots; in September, tomatoes, apples and pears; in November, cranberries and pineapples. For a fiery chutney, I add red chili peppers or jalapeno peppers and hot seasonings; for a sweet chutney, I add dried apricots, dates or raisins. I feature daily chutneys on the chalkboard the way other restaurants feature soups or side dishes.

There are times throughout the year, of course, when fresh produce for a chutney is not available. To ensure that I'll have ingredients for a chutney year-round, I stockpile about 50 pounds of cranberries in the freezer in November, when cranberries are inexpensive and widely available. Cranberries are one of the few fruits or vegetables that fully maintain their fresh flavor and texture after they've been frozen and thawed. This enables me to keep a cranberry chutney throughout the year.

Although canning is traditionally the way to preserve chutney, most chutneys can be refrigerated for two to three weeks without losing their potency. I make a large batch of chutney and keep it well chilled. When I am ready to assemble a dish, I ladle the chutney straight from the chilled container.

A three-step introduction

Adding chutney to the menu involves three steps. First, the chef must make the chutney and discover, as I did, the deep, penetrating flavors and textures of the condiment and the complex balance of fruit, vinegar, ginger, garlic and seasonings.

The second step is to introduce the waitstaff to the condiment. Tasting the chutney is the best way for service personnel to understand it. Since most servers (and guests) are only slightly familiar with chutney, the dish must be marketed with the same savvy and mouth-watering descriptions as wines and desserts. For example, this is how Chicken Indienne is described on the menu: "Strips of chicken breast are sauteed with fresh pineapple, onion and cranberry chutney, and seasoned with a flurry of curry. (Cranberry chutney is a sweet-and-tart condiment consisting of vinegar, fresh fruit and ginger.) It is a delectable, highly seasoned and extremely healthy dish."

The third step, after the chef has made the chutney and the chutney is properly marketed, is preparing the menu item once the dish is ordered.

A fitting accompaniment

As the popularity of the chutney-based dishes grew at my restaurant, I began offering a side dish known as raita. It is a soothing yogurt condiment, and like chutney, rooted in Indian cuisine. Customers spoon the raita over the dish, much as sour cream is spooned over Mexican dishes. Keeping within the revisionist cooking style, I offer a banana-cucumber raita, which calms down the spicier chutneys.

Highly acidic or pungent wines, such as a California sauvignon blanc or New York seyval, are the best wines to accompany a meal such as Chicken Indienne. As with other spicy or curried dishes, a cold beer is also a pleasant companion. ❑

Jay Solomon is the author of Condiments' Chutney, Relishes, and Table Sauces, *which will be published by the Crossing Press in September. He is also the chef owner of Jay's Clinton Hall Cafe in Ithaca, New York.*

PERSONAL INTERVIEWS

THE LITMUS TEST FOR HIRING A CHEF

A great chef brings customers to your door, delicious food to the table and happiness to your life. A temperamental chef, on the other hand, makes kitchen workers uptight, puts too much spice in the bearnaise sauce and insults customers who complain. Consequently, the decisions you make while searching for a chef can have long-term implications for your restaurant's reputation and staff morale. By using intuitive skills, a restaurateur can eliminate bad-apple candidates.

by Paul Moomaw

Marcel Desaulniers, co-owner and executive chef at The Trellis in Williamsburg, Virginia, hasn't made many hiring mistakes. But there is one he can't forget. He had just finished interviewing a young culinary-school graduate and was walking him through the restaurant, when the candidate sent out a troubling signal. "We were talking in the dining room, next to an exhibition grill," Desaulniers recalls. "All of a sudden the candidate said, 'It's kind of hot here by the grill, can we move somewhere else?' Well, that's not exactly what you expect from a chef. I should have known at the time, but I hired him because I really needed somebody. Sure enough, he couldn't stand the heat. He lasted five weeks."

Not every interview will yield such an important clue, but experienced hirers like Desaulniers have learned to use the personal interview as the litmus test for hiring. More than checking a chef's references or even tasting the applicant's cooking, meeting with a chef allows the restaurateur to delve into the personality of the chef to determine what that person would be like to work with.

Look beneath the surface

"Sometimes you know right when they walk in the door," says Joseph Melz, executive chef at the New York Stock Exchange Luncheon Club and former chef at the Pierre Hotel and the Westbury Hotel in Manhattan. "I used to hire a lot when I was at the Pierre," continues Melz, "and I could tell by the way a candidate walked in and sat down. There was one guy who came to an interview in a T-shirt, with a pack of Marlboros in his sleeve and a couple of tattoos on his arm. I knew right away with that guy. I told him we had already hired somebody."

Of course, determining that a chef would be wrong for your operation is not always so simple, according to Christian De Vos, vice president of the fine-dining division of ARA Services, a company whose operations include the Carnelian Room in San Francisco, the 95th Restaurant in Chicago and Atwater's in Portland, Oregon. "It's not like picking out a loaf of bread," says De Vos. "You've got to talk to the person. Just because a chef has won some competitions doesn't mean that he or she can handle things such as cost control or managing a union house." The test for these extra-cookery skills has to come from the interview.

"You must read between the lines of their resumes and their answers," adds Gerrit H. Maneschyn, who as manager of a national culinary association is frequently involved in the placement of experienced chefs in new positions. Maneschyn is a believer in following intuition in assessing a chef's intangible qualities. "Many chefs can make good food, but they don't have what it takes to run a brigade," he says.

Maneschyn also warns restaurateurs to look beneath the surface during the interview for the traits of the proverbial temperamental chef. "It's very important to find out if the person has a temper," he says. "In France, they call that kind of person a 'screamer.' I wouldn't allow a screamer in my kitchen." Look for clues about a chef's temperament by asking some point-blank questions such as "How do you work under pressure?" and "How have you got-

Paul Moomaw is a communications specialist at the National Restaurant Association.

ten along with kitchen staff in the past?" Candidates will often be surprisingly honest in revealing their weaknesses.

If you know the candidate personally or have some knowledge of the chef's temperament as the result of research before the interview, ask some frank questions about the most controversial aspects of his or her style. The candidate's reaction may tell you a great deal. If a candidate bristles with indignation at the suggestion of a shortcoming, it could be a sign of an uncooperative demeanor. On the other hand, if the person answers with a sense of humor, you might deduce that he or she would be more willing to accept criticism.

Maneschyn also urges restaurateurs to be aware of the signs of alcoholism in chefs. "Alcohol is a problem, unfortunately," he says, and he urges restaurateurs to look for outward signs of abuse, such as trembling hands, redness in the face and the smell of alcohol on the breath. According to Maneschyn, a chef with a temper and a chef with a drinking problem are often one and the same.

Above all, restaurateurs are advised to look for the traits of a team player, someone who can serve as both leader and co-worker. Think of different ways to ask the chef: "What do you know about human nature?" suggests Maneschyn.

In the past, a restaurateur could find out information about a chef's temperament by contacting the person's previous employers. Changes in employment laws in recent years, however, have intimidated previous employers, who fear lawsuits could result from giving complete information on former employees. Therefore, previous employers might paint a better picture of the chef than he or she deserves.

Another chef-hiring test that has fallen from favor is the kitchen test. How, then, can you judge cooking skill? The key is to ask the right questions. "I wouldn't ask a chef to prepare food," says Joseph Melz. "Instead, I would ask a question like, 'How would you start making a bearnaise sauce?' Unless the person is a con artist, you can tell what they're like by the confidence with which they respond."

Desaulniers says that there's a reason for the focus away from make-me-an-omelet testing, especially when hiring for sous-chef positions. "We'd rather have someone who has

Where to find chefs

Before a restaurateur can exhibit savvy interviewing and hiring skills, quality candidates must be found. Where do you find a group of candidates that might be right for your operation? It depends a great deal on the size, type and location of your restaurant, but here are some sources.

☐ **In your organization.** Looking within should be the method of first choice for finding a chef. Hiring a chef from within your organization maintains continuity in the kitchen and serves as a morale booster to sous chefs who can see the career ladder before them. Unfortunately, a small operation probably cannot afford this strategy.

☐ **Classified ads.** Depending on the type of operation, this may or may not be a legitimate way to find a chef. Although some upscale operations shun this recruiting method, Marcel Desaulniers, co-owner and executive chef at The Trellis in Williamsburg, Virginia, can remember when a classified newspaper ad led to the hiring of a successful chef who stayed at the restaurant for nine years. "Classified ads are perfectly legitimate," says Desaulniers, "but you are limited to the geographic area of the newspaper circulation." Alternatively, Desaulniers recommends an ad be placed in a trade journal circulated to chefs.

Placing a classified ad is, of course, not a very secretive method of searching for a chef, which could be a problem if you are replacing a current chef or if you don't want patrons to know you are without a chef.

☐ **Professional organizations.** Whether formally or informally, various organizations whose members are chefs sponsor placement services for executive chefs. Examples include the Chefs de Cuisine Association of America (CCAA) and the International Chefs' Association (ICA), both in New York City.

☐ **Culinary schools.** By recruiting among graduates of culinary-degree programs, restaurateurs are assured that a candidate has had a formal introduction to both kitchen management and some restaurant business practices. Gerrit Maneschyn, manager of a national culinary association, reminds restaurateurs, however, that most culinary-school graduates are in the early stages of their careers and require more seasoning. "You cannot learn in 22 months what takes 12 to 15 years," he says, advising restaurateurs not to start inexperienced chefs at positions too high on the totem pole.

☐ **Internships/apprenticeships.** Another way to evaluate potential chefs is to become involved in internship programs, in which students spend a few months in an operation as part of their degree program. You can also begin a formal apprenticeship program, perhaps in conjunction with an organization such as the American Culinary Federation in St. Augustine, Florida, or your state restaurant association.

☐ **Executive-search firms.** When time is of the essence in hiring a chef, an executive-search firm, or "headhunter," may provide the quickest source of qualified leads. Using an executive search firm is also a discreet way to conduct a closed search if a quick change of chefs is necessary, and it can offer the advantage of nationwide recruiting. The disadvantage? Paying a contingency fee upon hiring that may run as high as $20,000.

☐ **At your competition.** Finally, you have the option of stealing the chef you have always admired from your competitor's restaurant across the street. "It's certainly not a legitimate method," says Desaulniers, "but it happens all the time. It's happened here at The Trellis. A restaurateur has come here to eat a couple of times; then he asks to see the chef so he can develop a rapport and say, 'Well, if you ever think about leaving...' "

Stealing a chef, however, is not a recruiting method that will earn a restaurateur any Dale Carnegie awards. "I'd say that's a fairly quick end to a friendship," adds Desaulniers.

desire and ambition than someone who is already a great cook," he says. Young culinary-school graduates rarely have had time to hone their cooking skills, points out Desaulniers. "That's what I can offer them: a place to chop, slice, dice and burn their knuckles."

Joseph Melz agrees. "They don't have to know everything, but they must be willing to learn," he says. "You have to judge how fast a young chef can pick things up. Some people never learn."

Get them talking

Desaulniers uses the personal interview to ask questions that will get a candidate talking. "I go on gut reaction," he says. "I don't ask tricky questions; I just try to let them talk. If you let the candidate talk, then you find out more as they go along."

"For instance," continues Desaulniers, "if I'm interviewing a culinary-school student, I'll ask, 'How's school?' They usually start answering by giving a pretty positive response. But if they keep talking, they may complain about instructors or chefs they have worked with. That is one indication that a candidate may not get along well with others."

During an interview, ask about a chef-candidate's experience, too. Find out what they have liked about past jobs, who mediated kitchen disputes and who was responsible for final menu decisions. Answers to these questions will provide more insight in the important area of human dynamics and will help you determine how a chef has functioned in another kitchen.

Watch for overstated claims of experience both on resumes and in personal interviews. Desaulniers advises restaurateurs to check on the experience claimed by a chef-candidate. "It appalls me that people in our industry don't check out references," says Desaulniers. "We recently did a reference check on an applicant, and the reference we called had never heard of this character. That's certainly less than professional. If someone comes in and says they worked for Mark Miller at the Coyote Cafe—or someone else I respect—I'm going to find out if it's true or not." ❑

Jim Dodge, author of The American Baker, *is well-known for his expertise as a baker/pastry chef and his bimonthly contribution on baking and desserts to* Food and Wine *magazine. He is fast becoming equally well known for his other passion: making "bread" for special causes.* **Restaurants USA** *spoke with Dodge at length about his involvement with and personal commitment to these causes.*

***Restaurants USA:* What first inspired you to become personally involved with doing demonstrations for charity?**

Jim Dodge: I've been doing it for years—I don't remember exactly when I started. Charities are always looking for creative ways to raise funds. Years ago, when I started out at the Stanford Court Hotel in San Francisco, I became aware of the problem of homelessness and hunger. When you live in a major city, you see examples of homelessness every day.

The Stanford Court's policies made me aware of how to help. All leftover food [from the hotel] went to St. Anthony's Soup Kitchen in San Francisco, and I would make sure that food was saved properly. So I've been involved almost from day one.

***RUSA:* Do you devote yourself to some charities more than others?**

Dodge: I am especially committed to homelessness, hunger and various medical causes. They are such major issues, and they need all the help they can get because the government is only going to do so much. If I have the time, I will also help out a symphony or another arts group. But when you talk about basic needs like hunger and homelessness, you're talking about life—and I value life a lot.

If it's something I really believe in, I just say "yes." In Fort Wayne, Indiana, I have helped out at Community Harvest. It's really a model food bank. It's incredible what they do. I also did a fundraiser for Mary Hitchcock Hospital in Dartmouth, New Hampshire. A lot of my family members have been treated there, and so that cause was also close to my heart.

***RUSA:* Do the honoraria you receive usually cover your costs?**

Dodge: I often do not accept any

WHY JIM DODGE MAKES BREAD FOR CHARITY

honorarium for doing a demonstration. For example, I refused the honorarium from the food bank in Fort Wayne and the hospital in New Hampshire, because they clearly needed the money more than I did. I am not in a position at this point in my life to donate a lot of capital to these causes, but I can donate my time to help them raise money by demonstrating what I do for a living.

***RUSA:* How do you evaluate the requests you receive to decide which causes to take on?**

Dodge: Well, first of all, there's the cause itself, and I've already mentioned the issues I'm particularly committed to. Then there is the commitment of the people involved in the organization. There always has to be at least one person working on the event who can really pull the whole thing together. And finally, there's the percentage of the dollars raised that will actually reach the people affected by the cause. I prefer to support charities that don't have high overhead costs. The City of Hope is a great example. Out of every dollar raised, 98 cents go to the people they are trying to help.

***RUSA:* How much time do you devote to your charity work?**

Dodge: I do about two events per month. Each event requires about a day and a half of preparation. The demonstration itself lasts anywhere from one to three hours, depending upon whether it's just me or I'm part of an event. Just as an example, I took part in "Aid and Comfort," which was an AIDS benefit in San Francisco. It was organized on a really grand scale; it involved 10 or 11 chefs feeding more than 1,200 people. We raised about $250 thousand in just one night.

***RUSA:* Are you able to meet the demand for appearances at charity events?**

Dodge: So far, yes. I haven't had to turn down any requests for homelessness or medical research. I usually need about six months' to a year's notice, though, to be able to work something in.

***RUSA:* What kinds of demonstrations do you usually perform at benefits?**

Dodge: That depends on the audience, the season and the region. In general, I want to feature something that does not take a lot of time, is easy to prepare and tastes great. For instance, I have a recipe for "perfect pie dough" that goes over really well. That's something most people overdo, and this is an easy food-processor recipe.

I always try to make the demonstration educational in some respect: a technique or food pointers the audience can apply in their own kitchens. I try sharing some tricks of the trade, too, all of which can be helpful to even the novice cook.

***RUSA:* Are benefit demonstrations a good source of P.R. for you?**

Dodge: You know, more and more chefs are getting into this kind of thing, and there has been a lot of criticism about it, that they are just "in it for the P.R.." Wolfgang Puck is about as famous a chef as you can find, yet he's involved with almost every Meals on Wheels program in the country. He doesn't need the P.R.! He's just doing it because he believes in it, and I'd have to say that's true of most chefs doing this kind of thing.

It really hurts to hear people say that chefs become involved "just for the P.R.," because they have *no idea* what goes into the timing and preparation of these events. You have to specify all the equipment you will possibly need for the demonstration; list all the ingredients and often try to get them donated; arrange for volunteers to help out—some of whom don't show up. Finally, you have to prepare the dish and then serve it. The work is done under tremendously stressful circumstances. You'd have to be out of your mind to do it just for P.R.! If that's all I'm after, I can write an article and get much greater exposure with much less aggravation.

***RUSA:* Are there times when you feel spread too thin? Do you anticipate having to cut back as your own business demands increase?**

Dodge: Once you get involved in these things, you get to a point where you can't imagine *not* being involved, so I guess the answer is "no." I'm also active in a lot of educational programs on a consulting basis, so I do have to balance my commitments. I have no problem saying "no" when I can't accept a demonstration request; it just wouldn't make sense to overdo it and not do a good job.

I'm even allergic to bread flour, so my work really is a "labor of love," I guess. I have to be careful not to make bread more than two days in a row, or I will get really sick. I just feel lucky to be able to help out causes I feel strongly about by doing something I love. ☐

Joan E. Herlong is a freelance writer in Greenville, South Carolina.

FIT CHEFS DON'T FIT THE "DOUGH BOY" STEREOTYPE

Old stereotypes die hard, but eventually popular perception will catch up to the fact that most chefs no longer look like the Pillsbury Dough Boy.

by Joan E. Herlong

Never trust a skinny chef, or so the adage goes, but that old saw hacks off a lot of today's chefs. The responsibility chefs now have for creating nutritional dishes, in addition to meeting the bottom line, inevitably leads them to pay more attention to the waistline as well.

Restaurants USA spoke with five chefs in top form professionally—and physically.

A waning stereotype

Bernhard Gotz, CEC, executive chef with the Sheraton New Orleans, often does cooking demonstrations, only to find his hosts do not believe that someone who is 36 years old, six feet tall and 180 pounds could be a chef. "I hear it all the time when I go to do a demo," he recounts. "They will say, 'But you don't look like a chef.' Just what is a chef supposed to look like . . . fat? I get a little offended. We are all shrinking away from the 'Pillsbury Dough Boy' image."

"In the media, everything emphasizes health, health, health—and cuisine is no exception," says Johnny Rivers, CEC, resorts executive chef of research and development at Disney World in Orlando, Florida. "We are constantly working on new dishes that are tasty and healthy. You can't work on creating healthy meals all day without applying that to your own lifestyle."

Ferdinand Metz, CMC, president of the Culinary Institute of America in Hyde Park, New York, concedes the "dough boy" stereotype was once grounded in reality—but is no longer. The public is simply unaware of the radical changes the profession has gone through in the past 20 years.

Intensified interest in nutrition

"Today," says Metz, "the top chefs throughout the country are mostly very fit. Chefs have earned their professional standing today, especially in the last 10 years, with the intensified interest in nutrition. The Culinary Institute has a course in nutrition that every student must complete. With this emphasis on nutrition, it just wouldn't make sense not to keep fit. We apply what we learn every day."

Jack Braun, CEC, AAC, chef/owner of Chesterfields in North Huntingdon, Pennsylvania, and president of the American Culinary Federation, points to nutrition as the main ingredient in the changing image of chefs: "The American Culinary Federation places a major emphasis on nutrition, and that has to be demonstrated by our own members. By 1992, every certified chef in America will have had a minimum of 30 hours of nutrition education." Even in culinary competitions, nutrition has become a major evaluation criterion.

Pluses for fitness

Fitness in the kitchen makes sense for a lot of other reasons, too. Chefs mention increased efficiency, better stress management and improved self-esteem as beneficial side effects of keeping trim. Because chefs must exercise a lot more than the imagination on the job, fit chefs don't suffer from physical and mental exhaustion as easily.

As Braun attests, his daily work involves very strenuous activity—standing all day, walking a lot, doing heavy lifting. "Most modern kitchens are designed with employee well-being in mind; but you still have both arms, both legs and your head working all at the same time. Kitchens are a lot warmer than your average workplace, too. It can be physically exhausting," he says.

Bernhard Gotz believes regular exercise is part of his responsibility to be the best chef he can be. "One of the main reasons for exercising is to relieve stress. If you work out your stress, you don't have much left to take out on your employees. You have to constantly work with your people, to keep up their self-esteem, and to do that you have to keep up your own. I think chefs should set an example to be fit."

Joan E. Herlong is a freelance writer in Greenville, South Carolina.

Ferdinand Metz, president of the Culinary Institute of America, regularly competes with his students, many of whom are less than half his age. He faces all willing opponents on the tennis court, the soccer field and the ice rink. Metz even plays on the Institute's soccer and hockey teams.

For Ferdinand Metz, teaching by example goes beyond the kitchen/ classroom to sports, especially ice hockey, tennis and soccer. As he says himself, "The best way for me to promote the importance of physical activity [to my students] is to do it myself.

"There are other incentives to working out with the students," relates Metz. "It removes me from the office of president, puts me right on the bench. It enables me to develop a different [more personal] relationship with the students."

A well-rounded athlete, Bernhard Gotz rides his bicycle about 200 miles per week, in addition to regular karate workouts and games on the racquetball court. He mixes business with pleasure as often as possible by working out with his employees, too.

"I like to get other people involved," enthuses Gotz. "I often work out with my sous chefs. Heck, I've had better conversations about business on the racquetball court than I've ever had in the office!"

Nibbling away at fitness obstacles

Johnny Rivers says the stereotype of the portly chef nibbling along as he cooks is not just dated, but unhealthy and expensive. He cautions that nibbling is really not as much a temptation for a trained chef as amateurs might think.

But just in case, adds Rivers, "We have an absolute rule against nibbling in our kitchens. We have about 4,000 cooks at Disney World, so a little nibbling can add up fast. A chef with a tendency to nibble here and there can nibble up to 12,000 calories in just one day! That's a lot of calories and a lot of money being nibbled up. We are absolutely against that."

As a smart alternative to nibbling, Rivers's staff is invited daily to taste each dish offered. "We have sampling hours where the staff critiques samples from platters before each meal," explains Rivers. "It curbs the urge to nibble, and it better educates the servers to sell new dishes to our customers."

Raimund Hofmeister, CMC, executive chef at the Century Plaza Hotel in Los Angeles, California, confesses he is a shameless nibbler, but he warns his staff against nibbling mostly because it dampens creativity. "I write my best menus when I'm hungry," he says. "If I am stuffed, my ideas dry up. My sense of creativity is strongly linked to taste. If I'm hungry, I can sit down and write a menu and never test-cook it; I can literally imagine what it will taste like."

Jack Braun concedes he probably could write and prepare a menu without tasting it, but he also occasionally succumbs to the nibbling temptation. "I do nibble, yes," he admits, "but I am careful. There are certain characteristics of various food products you can tell from aroma or appearance. I don't have to taste the veal, for example, because I can assume the quality. But the sauce is a variable that I may want to taste. I occasionally stray, but normally I munch on fresh vegetables or fruit. I'm a salad-lover. When I do nibble, I find it actually curbs my appetite. I eat only one full meal a day, and that's usually after 9 p.m."

For Braun, out-of-town banquets have become a greater hurdle than nibbling. As president of the American Culinary Federation, Braun travels often and finds himself attending almost as many gourmet dinners as he prepares.

Without regular exercise, such a schedule could easily render a chef a real "heavyweight" in the kitchen. To keep fit, Braun sticks to a walking regimen with his wife; together they log three to five miles per day. In bad weather, they walk in a nearby shopping mall.

Making time for fitness

Chefs are busy enough as it is, so they must build in time to exercise. Johnny Rivers, an avid body-builder, schedules one hour for exercise into his day just as he schedules regular staff meetings.

"Chefs have to learn to be time managers," he explains, "so regular physical activity is just another commitment you have to make and meet. You do get to a point where you look forward to it; your day is not complete without it." ❑

GOODBYE TO THE WHITE-GLOVE TEST

RESTAURANT INSPECTIONS ARE CHANGING

by Gary M. Stern

Inspecting restaurants isn't like it used to be. Inspectors now realize dirty floors don't make people sick, and they are taking a closer look at how food is being prepared.

The five-foot-seven-inch inspector, wearing a plaid shirt and tie and beige pants, weaves his way down to the basement with his trusty miniature flashlight in hand. At any moment some type of pesky vermin—the Norwegian rat, the mouse, legions of cockroaches—could dart in front of his path, but he proceeds. Snapping on his flashlight, he rummages behind flour bins, peers into hard-to-spot corners, ferrets out possible violations. No, this inspector isn't Sam Spade or Sherlock Holmes but Gene Miskin,* a New York City Department of Health restaurant inspector.

Most violations, Miskin says, occur behind the scenes: in storage rooms, basements, preparation areas. This morning Miskin is inspecting a bakery in a major department store because of a complaint of mouse infestation. That is why his flashlight searches behind bins of cornmeal, muffin mix and flour. Bakers and food preparers, wearing white aprons, look on as Miskin moves aside bins and looks in corners and crevices alongside walls. After a couple of minutes, he spots small mouse droppings, whose brown gleam, he says, suggests recent vintage.

Over the last several years state restaurant health inspections have undergone considerable change, say leading food-science experts. "Most educated people will tell you that the trend is changing—away from floors, walls and ceiling to a hazard analysis," says Robert B. Gravani, associate professor of food science at Cornell University and past president of the International Association of Milk, Food and Environmental Sanitarians Inc., in Ames, Iowa. "Inspectors are looking at those areas of the restaurant where hazards exist and are trying to estimate reasonable risk of whether those hazards will cause foodborne illness."

In addition to inspecting the cleanliness of the restaurant, inspectors are looking for *critical-control points* in the food preparation process, where the food might become contaminated, where bacteria might survive cooking temperatures and where bacteria might grow if food is held at incorrect temperatures.

The system they are starting to use is called Hazard Analysis Critical-Control Points (whose acronym is HACCP), and it identifies which specific foods are at risk and the specific locations in the process line where mishandling is likely to occur. HACCP actually started back in 1971, when the head of quality control at Pillsbury introduced the concept at a national conference for food protection. Originally HACCP was aimed at food manufacturers, but in 1976 the concept started to be used by restaurant health inspectors and has since increased in application nationwide. Insiders say, however, that some states have experienced resistance to adopting HACCP principles, since inspections may take longer (which can mean fewer visits or a need for more inspectors, which can increase budgets).

Jim Brown, director of technical services at the National Restaurant Association, confirms that health inspectors are concentrating more on "food contamination, cross-contamination of food and temperature." When a chef cuts up raw chicken on a cutting board and then—without washing it—begins to slice raw vegetables, he is potentially contaminating the vegetables with salmonella bacteria, which can cause food poisoning, he says by way of example. To help restaurateurs prepare for HACCP, the National Restaurant Association has produced a 24-page booklet entitled *SAFE (Sanitary Assessment of Food Environment)*, which provides a simplified version of the key concepts of critical-control points.

Many restaurateurs view health inspections as unnecessary government regulation, contending that inspectors don't understand the realities of running a profit-making business. But Professor Gravani of Cornell University contends that restaurateurs who emphasize cooking and holding foods at the proper temperatures, avoid vermin infestation, and create a well-run system in which restaurant personnel know and comply with health codes will save themselves money in the long run.

"Part of what HACCP does is to bring the manager into the whole picture so he knows the danger points and has himself or someone on his staff assigned to look after it," asserts Charles Felix, founder and editor of the *Food Protection Report* in Leesburg, Virginia. If a restaurateur or manager is determined that the restaurant not cause any foodborne illness, "he or she has to be an inspector, inspecting those areas that are critical on a daily basis," he says.

Miskin explains that he's responsible for more than citing violations. "[The job] is not only finding violations but also helping to figure out how to get rid of them," he asserts. He summons the manager, points out the droppings and recommends that the exterminator plug up holes where the mice are likely to come in. "We have a lot of construction," explains the director of foodservice in the store's defense. He informs Miskin that he will attend to this problem immediately. "You'll be inspected again," Miskin warns him. Miskin issues a violation that forces the restaurant, if it admits guilt, to pay a fine (from $40 upwards), the amount depending upon the adjudicator's verdict and the severity of the violation.

In Los Angeles, health-department inspectors spend much of their time concentrating on food temperature, says William R. Ward, director of district environmental health services for Los Angeles County. Inspectors check to see that all food served hot is heated (or reheated) and held above 140°F and that cold food stays cold at 45°F or less. Ward recommends that all managers use their own thermometers to insure that food is kept at the proper temperatures and that the chances for bacteria to flourish are minimized.

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*Miskin has since left the New York City Department of Health. He is now an assistant scientist with the New York City Bureau of Radiation Control.

Gary M. Stern is a freelance writer in New York City. He accompanied a health inspector on his daily rounds to get a first-hand look at how the job of restaurant inspections is carried out.

In Washington state an outbreak of hepatitis-A has inspired health inspectors to pay careful attention to restaurant employees washing hands, since that's one major way that disease is prevented. "We are looking at what management is doing to ensure that food handlers realize that it is absolutely essential to wash hands after smoking, eating, drinking, coughing, sneezing and using the toilet," says Charles Bartleson, food-protection program manager for the Washington State Department of Health. Employees should be expected to wash hands and follow hygiene standards or suffer penalties, he adds.

Before HACCP entered the scene, inspectors concentrated on "the way places looked," explains Jack Guzewich, chief of food protection for the New York State Health Department. "HACCP is changing priorities."

Guzewich notes that one of the most common ways disease is spread through restaurants stems from employees who are sick. If a worker is ill, it's best that he or she stay home to prevent the risk of contamination.

Miskin fills out all the necessary paperwork and then phones the Department of Health office to report that he is headed for his next stop. On our way to the next restaurant, a fast food Chinese eatery, Miskin cites the most common violations he has seen since he joined the Department of Health in July 1988: dishwashing machines not working properly; mouse infestation, most common in storage rooms where flour is kept; lack of handwashing facilities; improper holding temperatures and problems in facility maintenance—floorboard loose; grease on wall; unsecured exterior kitchen doors, which increase the chance of rodents entering.

Telltale signs give Miskin a clue as to whether the restaurant management is staying abreast of food safety and facility maintenance.

Although the forms of most health inspectors include 25 or more items, most officials acknowledge that only four or five areas are of extreme importance because they represent potential risk areas. Dr. O. Peter Snyder, president and director of the Hospitality Institute in St. Paul, Minnesota, advocates a streamlined system that focuses on minimizing foodborne illness. Guzewich of New York state is of a similar mind and is clarifying what his inspectors must look for by developing what he describes as "a mini-HACCP" form. By following a more uniform format, inspectors will have a more definite sense of what to look for—as will managers and owners.

> *If a restaurateur or manager is determined that the restaurant not cause any foodborne illness, he or she has to be an inspector, inspecting those areas that are critical on a daily basis.*

One way to ensure that health codes are being followed is to develop training programs for all employees. Chefs should be expected to know what happens when foods are cooked at certain temperatures. For example, when you cook a turkey thoroughly (165°F in the center), you are using high temperature to kill bacteria. Owners and managers, says Guzewich, should "be more involved in what's going on in the kitchen, seek out education in sanitation, be aware of how their staff is handling food and train all new employees." Gravani of Cornell University advocates assigning someone to be responsible at all times for monitoring food temperatures. The Educational Foundation of the National Restaurant Association manages a SERVSAFE food-safety certification program, which includes a training manual.

Certain foods should be scrutinized more than others. Because of the threat of salmonella, poultry is the number-one food to monitor carefully. Shell eggs have also contributed to disease, and that is why Guzewich, for example, advises against using shell eggs in hollandaise sauce. Other foods to scrutinize include beef and pork, raw clams and mussels, and deep-potted foods, like stews, which often sit on the stove to cool.

In the Chinese fast food restaurant, Miskin heads to the basement to check the storage area. Although dust has settled into some areas, there's no sign of rodent infestation and food is stored in bins with fastened tops, several inches off the floor. Moving upstairs into the kitchen, Miskin takes the temperature of beef and broccoli on a steam table. The food registers 150°F. In the kitchen, he sees some spilled flour and sugar on the floor, but food temperatures are acceptable and the food preparation practices demonstrate safe handling of food. Miskin tells the owner, "There are no major problems. You have passed inspection."

Besides keying in on foodborne illnesses, Peter D. Thornton, environmental administrator at the Volusia County Health Department in Florida and president of the Florida Environmental Health Association, reminds owners to "listen" attentively to inspectors. Many owners inform the inspector that "this is the cleanest restaurant in the city" right after 12 violations have been cited. The inspector "has the advantage of different eyeballs, so listen to what he has to say"—especially at the followup meeting. "That's where the education takes place," he adds. The inspector reviews each violation item by item and explains how to rectify each, often reviewing menus and step-by-step preparation schedules.

But the responsibility for a restaurant's safety remains with the restaurateur. Dr. Snyder reminds owners that "A restaurateur has got to say, 'It's up to me.' " ❑

#110

Spotting high morale

The level of employee morale is (or should be) of constant concern to management. Greater productivity, harmonious working relationships, positive customer feedback and more benefits occur when morale is high. The exact reverse is true when morale is low. It is possible to walk into organizations and get a sense of the morale level simply by the way people address you and smile, the snappiness of their gait, the pattern and tone of speech, etc. The following is a list of points you, as a manager, may want to keep in mind in assessing how "high" the morale factor is in your organization.

1. *People are frequently absent or late for work.* This indicates a high level of morale, because employees sense that they have great personal freedom in their positions. They can come and go as they please and not be fettered by rules, regulations or instructions. They can "do their own thing," which certainly must mean that their spirits are high.

2. *There is considerable employee discussion and comparison of pay and benefits.* As a general rule, people talk about what they like to talk about. Therefore, it holds true that if employees spend considerable time discussing and matching pay and benefits, they must like that subject; and within the context of your organization, morale couldn't be better.

3. *Turnover rates are high.* People like excitement and dynamism. High turnover rates mean that current employees are being replaced by new employees all the time, and that really can be exciting. Could it be that there is a relationship there—the higher the turnover rate, the higher the morale?

4. *When you approach a group of employees talking, they immediately stop talking and scatter.* Morale must be high when that happens. Employees cease conversing and return to their stations because they are anxious to get back to their assignments. They, no doubt, want you to see them working diligently at their tasks.

5. *Employees know everybody else's job better than they know their own.* Think of the flexibility and cross-training opportunities that exist with this situation. Employees can always learn their own job, but to know what their co-workers do even better is terrific. It's also particularly beneficial if employees tell their co-workers how they can do their jobs better.

6. *Management is often called upon to display and reinforce the chain of authority.* Morale must be high when employees must constantly seek determinations from a higher authority about who has what responsibility when. That certainly displays involvement on the part of employees and shows that communication is occurring—both cross-communication and upward/downward flow.

7. *Company-sponsored events are not well attended.* From time to time, most organizations have company-sponsored events, whether it's a Christmas party or a picnic. If very few employees show up and if those who do come, come under duress, you know that morale is high. Your employees' "outside" life must be rewarding to them, which makes for a happier "inside" life, doesn't it?

8. *Performance appraisals are not taken seriously by superiors or subordinates.* Written evaluations of employee performance are really a major paperwork chore, and most of them are inflated anyway; they don't provide an accurate description of the way a subordinate handled responsibilities in the past period. Since both superiors and subordinates know performance appraisals are unrealistic, they are not taken seriously. Therefore, because your employees are realists, it follows that morale must be high.

9. *Vacancies are filled with less-qualified people.* When vacancies are filled with less-qualified people, it makes everyone else feel terrific, because they feel that they are now a step up on the ladder—certainly higher than the dodo or the bimbo you just named to fill the open spot. Moreover, it shows that you are willing to give everyone an opportunity, and your subordinates will think that they may be in line for such progression as well. This situation does wonders for morale!

10. *Conflicts are taken personally.* Morale is high when employees take personally conflicts that arise as part of everyday functioning. If conflicts are taken personally, they won't be taken professionally or organizationally. So the deeper the personal conflict, the better (or more preserved) the organization will be; and that, in turn, reinforces high morale.

11. *Newcomers are blocked out of the organization's social network.* You can really identify high morale if new people joining your organization are kept in isolation by other coworkers and are not allowed to meld into the informal infrastructure. That way, newcomers won't pick up any old company gossip, bad attitudes and habits, which is good for morale. It also means that the informal group that keeps newcomers out is pretty strong, and strong groups indicate high morale levels.

12. *Major personnel decisions are bitterly contested by all who are consulted about them.* You can witness a tangible demonstration of high morale when interested parties are feuding over an impending personnel decision. That shows that each person cares deeply, protects or promotes his or her own people, and is willing to go to bat for them—or take the bat to them, as the case may be.

Fisher's Law #110: The moral about morale is that the level of organizational success is directly and positively correlated with organizational morality.

World Food Day
October 16

1990 industry operations report released this month

The National Restaurant Association's new Restaurant Industry Operations Report—1990 *allows restaurateurs to compare their own operation's data and statistics to that of other companies with a similar business profile. The study, which was conducted jointly by the association and the national accounting firm of Laventhol and Horwath, is based on 1989 data from 1,874 restaurant operators.*

A wealth of financial and operating information is contained in the National Restaurant Association's *Restaurant Industry Operations Report—1990.* The study contains specific information for each of the following types of restaurants:

☐ full-menu tableservice
☐ limited-menu tableservice
☐ limited-menu, no tableservice (fast food) and
☐ cafeterias.

Operating results are expressed as amounts per seat and as ratios to total sales, the most common bases used in the industry. The study details such information as sales (by food and beverage), cost of sales, gross profit, controllable expenses, occupation costs, restaurant profit and pretax income.

Also provided are seat turnover; average check size; cost per dollar of sales; and an analysis of employment, including employees per seat, sales per employee and the number of part-time versus full-time workers. These data are reported by specific operational characteristics, such as affiliation, menu theme and sales volume. The report includes amount-per-square-foot data covering sales, profits and occupational expenses.

Enhancements

This year's *Restaurant Industry Operations Report 1990* contains a variety of new financial and operating data exhibits. The current edition, in addition to the usual extensive exhibits, includes new information on

☐ operating data for metropolitan and nonmetropolitan areas
☐ employee turnover rates for both hourly and salaried employees
☐ restaurant operating statistics by average check size per person
☐ expanded coverage of employee benefit costs and
☐ detailed operating data by restaurant location, such as in or attached to a hotel, shopping center, office building or club.

In future issues of ***Restaurants USA,*** a series of "Foodservice Trends" articles will focus on each of these report enhancements.

Other highlights of the 1990 report

☐ **Full-menu tableservice.** In 1989 the median check size for full-menu tableservice restaurants was $10.04—considerably higher than for the other types of establishments covered in this study. This reflects the higher-priced menus at

	Full-menu, tableservice	Limited-menu, tableservice	Limited-menu, no tableservice	Cafeteria
Where it came from				
Food sales	79.9	87.9	97.1	99.9
Beverage sales	18.2	11.2	2.5	0.0
Other income	1.9	0.9	0.4	0.1
Where it went				
Cost of food sold	26.9	30.8	34.8	40.9
Cost of beverage sold	4.8	3.4	0.6	0.0
Payroll	27.9	24.6	22.4	26.4
Employee benefits	5.3	4.0	3.3	1.7
Direct-operating expenses	6.5	5.5	4.8	3.3
Music and entertainment	0.5	0.3	0.1	0.1
Advertising and promotion	2.3	3.6	5.3	0.7
Utilities	2.9	2.8	2.9	2.2
Administrative and general	4.8	4.8	3.6	0.6
Repairs and maintenance	2.0	2.1	1.7	1.3
Rent	4.5	5.1	4.5	4.3
Property taxes	0.5	0.6	0.4	0.6
Other taxes	0.4	0.4	0.5	0.1
Property insurance	1.2	1.0	0.7	0.6
Interest	1.4	1.9	0.8	0.4
Depreciation	2.9	3.1	3.5	2.7
Other deductions	1.3	1.0	0.3	0.3
Net income before income taxes	3.9	5.0	9.8	13.8

Note: *All figures are weighted averages*
Source: National Restaurant Association, *Restaurant Industry Operations Report—1990*

Thanks!

To the association members who supplied data to make this report possible, a special thanks. Your cooperation is appreciated; a complimentary copy of the report is on its way to you.

these establishments and the fact that many full-menu tableservice restaurants serve alcoholic beverages.

Median food sales were $4,066 per seat. Alcoholic-beverage sales accounted for $926 per seat. Average daily seat turnover was 1.3.

□ **Limited-menu tableservice.** The median check among limited-menu tableservice respondents was $6.66 in 1989, with an average daily seat turnover of 1.5. Median food sales were $3,433 per seat, and alcoholic-beverage sales represented $773 per seat. Median sales per full-time-equivalent employee were $22,058.

□ **Limited-menu, no-tableservice.** Limited-menu, no-tableservice (fast food) survey participants reported an average daily seat turnover of 4.1 in 1989—the highest among the four restaurant categories covered by the study. Median food sales were $6,284.

Median annual sales per full-time-equivalent employee in 1989 were $24,226—the highest among the four restaurant categories.

□ **Cafeterias.** Cafeteria survey participants had a median of 40.5 full-time-equivalent employees. These establishments experienced an average daily seat turnover of 2.0, with median food sales of $3,768 per seat. Median annual sales per full-time-equivalent employee were $20,569.

—*Hudson Riehle*

Median check per person for [illegible]

Sales volume	
Less than $500,000	$ 7.78
$500,000–$999,999	8.07
$1,000,000–$1,999,999	10.31
$2,000,000 or more	12.80
All restaurants	**$10.04**

Source: National Restaurant Association, *Restaurant Industry Operations Report—1990.*

How to order the report

A copy of the *Restaurant Industry Operations Report—1990* (CS955) will be available this month to association members for $39 and to nonmembers for $72. This includes shipping and handling charges (overseas orders require a 20 percent surcharge). All orders must be prepaid.

You may order by sending a check or money order to the National Restaurant Association Publications Department, 1200 17th Street, N.W., Washington DC 20036. For credit-card orders, call the association's Information Service and Library between 9:00 a.m. and 5:00 p.m. (Eastern Standard Time) at 1-800-424-5156 or (202) 331-5960 in Washington DC.

1990 minimum-wage-survey results

On April 1, 1990, the federal minimum wage increased from $3.35 to $3.80 per hour. According to a recent National Restaurant Association survey on minimum wage, restaurateurs responded with changes in their operations, including increased menu prices and a reduction in the number of employee hours worked.*

For the first time in nearly a decade, the federal minimum wage increased this April, rising by 13 percent, or $.45, to $3.80 per hour. An additional $.45 increase will go into effect on April 1, 1991, to bring the minimum wage to $4.25. Employers are permitted to pay certain workers less than 20 years old a subminimum training wage for up to 90 days.

According to monthly earnings data for nonsupervisory workers from the Bureau of Labor Statistics, the increase in the federal minimum wage has had a noticeable effect on average hourly earnings for nonsupervisory employees in eating and drinking places—raising the overall average by about 5 cents per hour from March to April and increasing the rate of gain in wages to at least 5 percent (versus 4 percent in 1989 and early 1990).

Increased menu prices

A National Restaurant Association questionnaire, developed to assess the repercussions of the April 1 minimum-wage increase, was sent to key organization members in May. According to the survey, the most common step taken by restaurateurs affected by the increase was to raise menu prices. Fifty-six percent of respondents reported they had increased menu prices, and an additional 28 percent said they plan to do so.

Government data support the association's survey. According to the Consumer Price Index (CPI) published by the Bureau of Labor Statistics, menu-price gains ticked upward starting in April 1990 and are now averaging 5 percent above levels a year ago. In contrast, gains in the CPI for all items except food have moderated slightly since the beginning of the year. Menu prices had paralleled the CPI in recent years.

A majority of the survey respondents also reported that they have cut back or plan to reduce the number of employee-hours worked. Forty-four percent reported having taken this step and

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*A survey developed to assess the effect of the April 1, 1990, increase in the minimum wage was sent to key organization members as a supplement to the May 7, 1990, issue of the *Washington Weekly*. Responses were received from 1,002 members, for a response rate of more than 7 percent. Results described here are for the 746 respondents operating in states where the state minimum wage was no higher than $3.80 before April 1, 1990. This excludes respondents from Alaska, California, Connecticut, the District of Columbia, Hawaii, Iowa, Maine, Minnesota, Oregon, Rhode Island, Vermont and Washington.

18 percent plan to do so. Additionally, substantial numbers of respondents have or plan to reduce the number of employees (42 percent), add labor-saving equipment (38 percent) or cut employee benefits (28 percent).

Non-minimum-wage employees affected

Survey results suggest that not only minimum wage employees have been affected by restaurateur responses to the hike. Among restaurateurs that reduced the hours worked, 78 percent cut back hours worked by servers. Other occupations affected by reduced hours include cooks (77 percent), dishwashers (73 percent), and buspersons (69 percent).

Restaurateurs who had reduced the number of employees were most likely to have cut back the number of service staff, including buspersons (70 percent) and waiters/waitresses (63 percent); however, cooks were also likely to be affected (54 percent).

When it came to installing labor-saving equipment as a result of the minimum-wage increase, kitchen personnel are most likely to be affected. Among respondents installing labor-saving equipment, 87 percent reported cooks were affected, followed by salad-preparation workers (70 percent) and dishwashers (47 percent).

Ripple effects evident

The minimum-wage hike caused ripple effects. Fifty-three percent of respondents reported increasing wages of nontipped employees who had been receiving $3.80 or more per hour; this increase affected an average of 32 employees per establishment. Forty-one percent increased wages of tipped employees

[illegible]

The most common response to the minimum-wage increase was to raise menu prices

	Yes, have done	Yes, plan to do	No	No answer
Increase menu prices	56%	28%	14%	2%
Reduce number of employee hours worked	44	18	28	10
Reduce number of employees	25	17	41	17
Add labor saving equipment	12	26	38	24
Cut hours of operation	8	7	59	26
Cut employee benefits	14	14	49	23

Source: National Restaurant Association, *1990 Minimum-Wage Survey*. Based on 746 respondents in states where the minimum wage was not $3.80 or higher before April 1, 1990.

[illegible]

Average hourly earnings advanced 5 cents between March and April 1990

	1989	Percent change	1990	Percent change
January	$4.68	3.5	$4.87	4.1
February	4.69	4.0	4.87	3.8
March	4.69	4.2	4.88	4.0
April	4.69	4.0	4.93	5.1
May	4.71	4.0	4.96	5.3
June	4.73	4.4	4.98*	5.3
July	4.72	3.7		
August	4.74	3.9		
September	4.80	3.9		
October	4.81	3.9		
November	4.82	3.7		
December	4.88	4.0		

**preliminary data*

Note: *Percent change is over same month in prior year. Data is not seasonally adjusted. Excludes tips.*

Source: Bureau of Labor Statistics

[illegible]

Many employees were affected by the minimum-wage increase including non-minimum-wage employees.

	Reduced hours worked	Reduced number of employees	Added labor saving equipment
Waiters/waitresses	78%	63%	33%
Buspersons	69	70	23
Counter workers	42	41	33
Dishwashers	73	51	47
Cooks	77	54	87
Salad prep workers	48	39	70

Source: National Restaurant Association, *1990 Minimum Wage Survey*. Based on 746 respondents in states where the minimum wage was not $3.80 or higher before April 1, 1990.

Profile of a typical minimum-wage earner

☐ Most minimum-wage earners are teenagers, young adults and adult women who work at the minimum wage because they are relatively unskilled, have limited experience or work part-time.

☐ Approximately two-thirds of minimum-wage workers are in part-time jobs.

☐ Most workers are neither heads of households nor the principal income earner in their households; instead, they are frequently teens, students and spouses.

☐ The education level of minimum-wage workers is considerably below that of most other workers.

☐ Wholesale and retail trade establishments, which include eating and drinking establishments, employ more than half of all minimum-wage earners.

☐ Many of the minimum-wage positions in wholesale and retail trade also provide additional compensation, such as tips, bonuses or commissions that are not counted in assessing wage levels.

Source: National Restaurant Association, *Minimum Wage Research Review*, 1987.

to comply with the new minimum-wage increase, which affected an average of 43 employees per establishment. Nearly half reported increasing the tip credit from 40 to 45 percent.

The vast majority of respondents—82 percent—reported that payroll costs increased as a result of the minimum-wage hike. The average reported increase was 7 percent.

Training wage seldom used

Although 74 percent of respondents reported employing teenagers and 93 percent said they were aware of the training wage, only 9 percent said they currently use the training wage and an additional 17 percent said they plan to do so. The vast majority—71 percent—will not use the training wage. Among those that are using the training wage, an average of 11 employees are paid the training wage.

Most were aware of "interstate commerce" amendments

Most respondents—76 percent—were aware that the 1989 amendments require all employees engaged in "interstate commerce"** to pay the new federal minimum regardless of the small-business exemption. Seventeen percent were not aware of this amendment, and eight percent reported it was necessary to raise employees to new minimum wages because they were engaged in "interstate commerce."

—*Elizabeth Gordon*

CREST* report—1990 spring quarter

Following a modest 0.8 percent rise in customer traffic in the winter quarter of 1990, industry traffic advanced a robust 5.0 percent in the spring. However, this advance is smaller than it seems, if one takes into account the weak performance in spring 1989 when customer counts were down 1.9 percent over spring 1988.

Upscale restaurants recorded the largest growth in customer counts, advancing a hearty 7.2 percent over spring 1989 and after a decline of 3.4 percent in the winter 1990 quarter. Midscale restaurants likewise rebounded from a 1.7 percent decline in customer traffic in the winter to post a 3.4 percent increase in the spring. Quickservice restaurants, the only segment to record traffic advances in the winter, continued on an upswing. Traffic counts were up 5.3 percent this spring, when compared to spring 1989 levels.

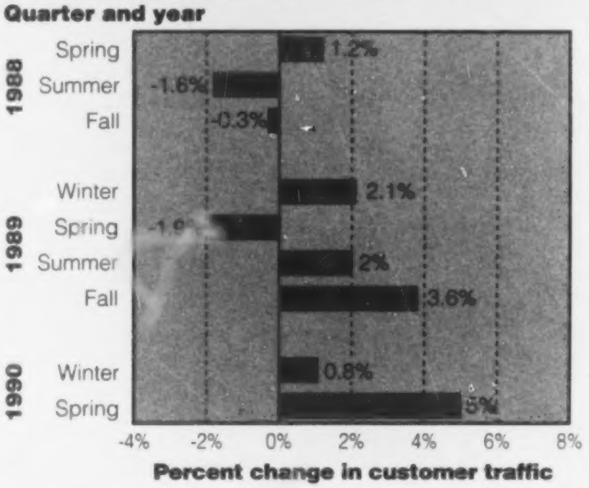
All three major meal periods posted advances in customer counts during the months of March, April and May. Supper posted the largest gain, advancing 6.4 percent. Lunch (up 5.6 percent) and breakfast (up 2.8 percent) showed more modest growth. Growth for the meal periods was substantially higher in the spring than in the winter, when counts were up 0.4 percent for breakfast, 0.7 percent for lunch and 2.6 percent for supper.

On and off-premises highlights

Both on and off-premises traffic advanced for the industry as a whole. Off-premises traffic grew 8.2 percent and on-premises grew 2.4 percent, when compared with spring 1989. Upscale restaurants led the way in on-premises traffic growth, with an 8.3 percent increase. On-premises traffic grew by smaller margins at midscale restaurants (up 3.2 percent), but declined slightly at quickservice establishments (down 0.1 percent). Both supper (up 4.2 percent) and lunch (up 3.1 percent) registered growth in on-premises customer counts. On-premises traffic for breakfast declined 1.5 percent.

In contrast to their on-premises traffic loss, quickservice restaurants saw substantial gains in off-premises traffic (up 9.0 percent). Off-premises traffic was up 5.0 percent at midscale restaurants but declined by 7.6 percent at upscale restaurants. All three meal periods posted gains in off-premises traffic counts. Breakfast (up 11.2 percent) showed the largest growth, followed by lunch (up 9.7 percent) and supper (up 8.7 percent).

Traffic advanced a strong 5.0 percent in the spring of 1990, after falling 1.9 percent in the spring of 1989



*Percent change over same quarter, previous year

Source: *NPD CREST Quarterly Household Reports,* 1988–1990

Promotion usage

Promotion usage this spring was well ahead of usage in spring 1989—20.2 percent of all occasions versus 16.7 percent of occasions. However, usage was down slightly from 22.4 percent in the winter.

Quickservice establish-

**Being involved in interstate commerce can mean handling credit cards or traveler's checks, placing out-of-state phone calls, unloading a truck that has crossed state lines, etc.

CREST stands for Consumer Reports on Eating Share Trends, a division of one of the NPD marketing companies.

ments continued to be the leader in promotion usage; promotions were used on 22.2 percent of all quickservice occasions—up from 19.0 percent in spring 1989. Deal usage grew by more substantial margins at midscale and upscale operations. Promotions were used on 16.4 percent of all midscale occasions and 15.4 percent of all upscale occasions in spring 1990, up from 12.4 percent and 11.9 percent, respectively, in spring 1989.

Among the three major meal periods, deal usage was highest at supper, with 27.0 percent of supper occasions involving a promotion. This compares with 22.0 percent of supper occasions in spring 1989. Promotions were used on 17.1 percent of occasions at breakfast and on 17.9 percent of occasions at lunch.

Average check size

The average check at restaurants increased 3.7 percent, from $3.79 per person in spring 1989 to $3.93 in spring 1990. Quickservice restaurants led the segments in average-check growth—up 3.6 percent to $2.91 per person. The average check at upscale restaurants increased 3.3 percent to $9.64 per person, and at midscale restaurants the average check increased by the same margin to $4.75 per person.

The average check at supper posted a higher gain than at any other meal period—up 3.9 percent to $5.10 per person. Lunch checks advanced 2.2 percent on average to $3.67 per person, and the average check at breakfast declined 0.8 percent to $2.57 per person.

—Nancy Michalski

Consumer expenditures for food away from home increased in 1988

Recently released data from the 1988 Consumer Expenditure Survey *by the Bureau of Labor Statistics indicate that consumer spending on food away from home accounted for 43.0 percent of the food dollar—up slightly from 42.7 percent in 1987. Expenditures on food away from home also accounted for 6.2 percent of total expenditures by consumer units in 1988.*

National Restaurant Association analysis of consumer-expenditure data shows that the typical household spent an average of $620 per person per year on food away from home in 1988—up 3.0 percent from $602 per person in 1987. Demographic data from the *Consumer Expenditure Survey* indicates that age and occupation of the household head, household income, household composition and household size all have an effect on per capita expenditures for food away from home.

New breakdown by household occupation

For the first time, consumer-expenditure data is available by the occupation of the household head. Consumers are broadly defined as self-employed persons, wage and salary earners and retired individuals. Occupations detailed in the survey include managers and professionals; technical, sales and clerical workers; service workers; construction workers and mechanics; and operators, fabricators and laborers. Not surprisingly, the occupation of the household head has a direct effect not only on income but also on spending on food away from home.

According to the survey, households headed by a manager or professional had an average income of $45,088 and allocated more than 50 percent of their food dollar to food away from home—a larger share than those households whose heads were employed in other occupations. In addition, the households headed by a manager or professional had the highest total expenditures per year ($2,401) and the highest per capita expenditure on food away from home ($923).

Consistent with their average income, households headed by a service worker had the lowest expenditure on food away from home ($1,413 per year)—however, they did spend a relatively high proportion of their food dollars away from home. The lowest per capita expenditure for food away from home was recorded for households headed by an operator, fabricator or laborer ($483 per person per year).

By virtually all measures, retired individuals spent considerably less on food away from home than did either self-employed individuals or wage and salary workers. This is not surpris-

For more information

A more detailed look at the 1988 *Consumer Expenditure Survey* is available in the new National Restaurant Association publication, *Restaurant Spending: Consumer Expenditures for Food Away From Home, 1988.*

The publication includes

☐ extensive, detailed tables

☐ information about household numbers, size, income, expenditures on food away from home as a percentage of food budget, percentage of total expenditures and a per capita expenditure breakdown for each demographic category

☐ cross-tabulation data for both household age and income and household size and income

☐ analyses of the demographic effects on spending for food away from home and

☐ spending indexes, helpful for targeting consumers with above-average expenditures on food away from home.

Restaurant Spending: Consumer Expenditures for Food Away From Home, 1988 (order #CS730) may be purchased for $25 by members and $50 by nonmembers (overseas orders require a 20 percent surcharge). All orders must be prepaid.

Send a check or money order to the National Restaurant Association Publications Department, 1200 17th Street, N.W., Washington DC 20036. For credit-card orders, call the association's Information Services Department at 1-800-424-5156 or (202) 331-5960 in Washington DC between 9 a.m. and 5 p.m. Eastern Daylight Time.

Households in which the head was employed as a manager or professional had the highest per capita expenditure for food away from home

Occupation of household head	Average household Size	Average household Income*	Average annual expenditures on food away from home	Percent food away from home: Total food budget	Percent food away from home: Total expenditures	Per capita expenditures on food away from home
All households	**2.6**	**$28,540**	**$1,612**	**43.0%**	**6.2%**	**$620**
Self-employed workers	2.8	32,320	1,776	43.0	5.6	634
Wage and salary earners	2.7	33,333	1,872	45.8	6.5	693
Managers and professionals	2.6	45,088	2,401	50.5	6.5	923
Technical, sales and clerical	2.5	30,756	1,767	45.8	6.3	707
Service workers	2.6	19,268	1,413	44.0	7.1	543
Construction workers and mechanics	3.2	31,497	1,845	43.4	6.5	577
Operators, fabricators and laborers	3.0	26,507	1,449	39.0	6.3	483
Retired	1.8	16,486	854	32.4	5.1	474
All other, including not reporting	2.7	14,145	836	29.6	5.1	310

**income before taxes*

Source: Bureau of Labor Statistics, *Consumer Expenditure Survey*, 1988; National Restaurant Association

ing considering that their average household income was $16,486 per year. Households headed by a retired individual allocated 32.4 percent of their annual food budgets to food away from home, and spent only 60 percent of what the lowest-spending wage and salary earners did on food away from home ($854 per year, compared with $1,413 for service workers).

Spending highest among young, most affluent

Factors such as household income and the age of the household head exert a noticeable influence on spending for food away from home.

A special cross-tabulation of data based on the age of household head and household income—one of the most detailed breakdowns of consumer-expenditure data—shows the effect of these demographic characteristics on spending for food away from home. As a general rule, the amount spent on food away from home as well as the proportion of the food dollar spent away from home within each age category increases with income. In contrast, within each income category the percentage of the food dollar spent away from home generally declines as the age of the household head increases. (See the accompanying chart.)

> ***For the first time, consumer-expenditure data is available by the occupation of the household head.***

The role of other demographics

Other household demographics, such as size, age of head, composition and region in which the household is located, also reflect differences in spending for food away from home.

Household size

□ Single-person households allocated a larger portion of their food dollar to food away from home than did larger households—52.7 percent—and also had the highest per capita expenditure on food away from home—$1,099 per year.

□ As household size increased, per capita expenditures on food away from home and the percentage of the food dollar allocated to food away from home decreased. In fact, two-person households spent 43.8 percent of their food budget, or $789 per person per year, on food away from home—more than $300 less per person per year than single-person households.

Age of household head

□ Households headed by an individual 25 years old or younger allocated a larger portion of their food dollar to food away from home—54.3 percent—than did households headed by older individuals.

□ Households headed by a person 75 years old or older spent the smallest portion of their food budget

Expenditures on food away from home were greatest for households headed by individuals 25 years old or younger and households with an annual income of $40,000 or more

	Annual household income						
Age of household head	**Less than $5,000**	**$5,000-$9,999**	**$10,000-$14,999**	**$15,000-$19,999**	**$20,000-$29,999**	**$30,000-$39,999**	**$40,000 or more**
Less than 25 years old							
Annual amount spent*	$905	$979	$1,155	$1,569	$1,668	$2,161	$2,355
Percent of total food budget spent*	60.8%	50.9%	52.7%	54.3%	50.0%	56.2%	51.1%
Per capita expenditure*	$754	$576	$ 608	$ 826	$ 758	$ 900	$ 898
25 to 34 years old							
Annual amount spent*	$760	$562	$ 960	$1,279	$1,620	$1,835	$2,606
Percent of total food budget spent*	32.0%	27.0%	36.3%	41.7%	45.6%	45.0%	50.0%
Per capita expenditure*	$345	$201	$ 384	$ 474	$ 579	$ 612	$ 899
35 to 44 years old							
Annual amount spent*	$789	$827	$ 995	$1,234	$1,746	$2,117	$3,080
Percent of total food budget spent*	35.0%	30.2%	32.1%	37.1%	43.7%	43.7%	49.7%
Per capita expenditure*	$303	$258	$ 311	$ 398	$ 514	$ 623	$ 856
45 to 54 years old							
Annual amount spent*	$883	$592	$ 989	$1,274	$1,740	$1,995	$3,282
Percent of total food budget spent*	30.4%	23.9%	33.1%	38.1%	41.9%	43.2%	49.5%
Per capita expenditure*	$384	$237	$ 380	$ 455	$ 621	$ 688	$1,026
55 to 64 years old							
Annual amount spent*	$509	$745	$ 932	$1,035	$1,480	$2,035	$2,879
Percent of total food budget spent*	23.6%	29.7%	30.9%	31.8%	37.4%	44.0%	47.8%
Per capita expenditure*	$283	$414	$ 466	$ 493	$ 673	$ 848	$1,028
65 to 74 years old							
Annual amount spent*	$415	$582	$ 905	$1,098	$1,543	$1,792	$2,673
Percent of total food budget spent*	23.1%	28.5%	31.4%	33.4%	39.8%	41.0%	46.3%
Per capita expenditure*	$277	$388	$ 476	$ 523	$ 701	$ 747	$1,069
75 years old and older							
Annual amount spent*	$219	$351	$ 815	$ 877	$ 931	$1,377	$1,810
Percent of total food budget spent*	17.2%	21.6%	31.1%	32.2%	31.9%	41.0%	45.6%
Per capita expenditure*	$183	$270	$ 479	$ 462	$ 466	$ 656	$ 823

on food away from home

Source: Bureau of Statistics, *Consumer Expenditure Survey*, 1988; National Restaurant Association

on food away from home—29.2 percent—and had the lowest per capita expenditures—$377 per person per year.

□ Households headed by an individual between 45 and 54 years of age were the biggest spenders on a per person basis, allocating $762 per person per year to food away from home.

Household composition

□ Husband-and-wife-only households recorded the highest per capita expenditures on food away from home, $834 per person per year.

□ Single parents with dependent children under 18 years of age reported the lowest per capita expenditures on food away from home—$370 per person per year.

□ Single-person and other households, such as households composed of two or more unmarried roommates, allocated 48.4 percent of their total food budget to food away from home—a larger percentage than other households.

Household income

□ Not surprisingly, expenditures for food away from home, both on a per capita basis and as a percentage of total food budget, increased with household income.

□ Households with an annual income of $50,000 or more spent $1,028 per person, or 50.6 percent of the household food budget, on food away from home.

□ Households with annual incomes between $5,000 and $9,999 spent the least per capita ($336 per person per year) and the smallest portion of the total food budget—30.6 percent—on food away from home.

Region

□ Households in the Northeast region of the country were the biggest spenders on food away from home—$712 per person per year. This accounted for 44.6 percent of the household annual food budget.

□ Households in the South spent the least of any region on food away from home, $582 per person per year; while expenditures on food away from home in the West made up the smallest portion of the food dollar—41.9 percent.

—Nancy Michalski

"Uniform System of Accounts for Restaurants" updated

The association's popular accounting handbook for restaurateurs has been enhanced to keep abreast of changes in restaurant operations.

Which costs should be included in employee-benefit expenses? Where should the expenses associated with using fresh flowers be charged? Why is the fee a restaurant pays to credit-card organizations considered an administrative expense?

Answers to these and many other restaurant bookkeeping and accounting questions are included in the newly updated National Restaurant Association's *Uniform System of Accounts for Restaurants.* Prepared in conjunction with the national accounting firm of Laventhol & Horwath, this accounting reference book presents an up-to-date and easy-to-use recordkeeping system for foodservice operations.

Helps small operators

First published in 1958, the primary objective of the *Uniform System of Accounts for Restaurants* continues to be to help operators of smaller restaurants develop a common language to use in their accounting statements. Consequently, the *Uniform System* allows operators to compare their financial statements with statements of peers and also with published figures, such as those contained in the association's annual *Restaurant Industry Operations Report.*

An additional benefit of using the Uniform System is that it gives third-party users of financial statements, such as lenders, the opportunity to easily compare a specific restaurant operator's statements with industry averages, because they share a common format.

Changes made

Enhancements to the 1990 edition include:

☐ Updated text to conform with the latest pronouncements from various regulatory agencies

☐ Up-to-date terms for outdated expressions

☐ A new corporate-overhead category to account for the allocation of overhead expenses for multi-unit restaurant companies

☐ A statement of cash flows to show the sources and uses of cash from operations, financing and investing activities

☐ An expanded description of the various methods of depreciation according to when the property was placed in service and

☐ Improved information on developing notes to financial statements that help clarify the accounting treatment of various assets and liabilities in the financial statements.

—*Hudson Riehle*

How to obtain a copy

The updated *Uniform System of Accounts for Restaurants* (MG 936) is available to association members for $18 and to nonmembers for $36 (overseas orders require a 20 percent surcharge). All orders must be prepaid.

Send a check or money order to the National Restaurant Association Publications Department, 1200 Seventeenth Street, N.W., Washington DC 20036. For credit-card orders, call the association's Information Service Department at 1-800-424-5156 or (202) 331-5960.

[redacted]

Using the ***Uniform System of Accounts for Restaurants*** *allows for easy comparison of an individual operator's results with published figures, such as contained in the* ***Restaurant Industry Operations Report***

	Amount per seat*
Sales	
Food	$4,066
Beverage	926
Total sales	*4,827*
Cost of sales	
Food	1,403
Beverage	250
Total cost of sales	*1,661*
Gross profit	3,160
Other income	34
Total income	*3,259*
Controllable expenses	
Payroll	1,544
Employee benefits	273
Direct operating expenses	297
Music & entertainment	16
Advertising & promotion	104
Utilities	174
Administrative & general	185
Repairs & maintenance	95
Total controllable expenses	*2,810*
Income before occupancy costs	767
Occupancy Costs	
Rent	304
Property taxes	29
Other taxes	21
Property insurance	62
Total occupancy costs	*358*
Income before interest & depreciation	364
Interest	73
Depreciation	138
Restaurant profit	177
Other deductions	78
Income before income taxes	149

*****median values

Source: National Restaurant Association, *Restaurant Industry Operations Report—1990.*

Foodservice Market Measure—June 1990

On a typical day in June 1990, 55 percent of adults reported they were foodservice patrons, according to the Foodservice Market Measure. Although this marks no significant change overall from the prior month, the proportion of adults who reported eating on the premises crept upward from 34 percent in May to 38 percent in June. In contrast, 23 percent of adults reported purchasing takeout food in June, representing no significant change from May—although this proportion is significantly higher than the 18 to 19 percent reported in January and February. Also of interest is the fact that 7 percent of adults reported they were foodservice patrons for more than one meal on a typical day.

Lunch continues to be the most popular foodservice meal, with 30 percent of adults reporting they were patrons on a typical June day. This compares with a slightly lower 25 percent for dinner and a much lower 8 percent for breakfast and 6 percent for snacks.

Spring quarter 1990

Quarterly demographics reconfirm that men are more likely than women to be foodservice patrons, especially when it comes to meals on the premises. Whereas 57 percent of adult men reported they were foodservice patrons on a typical spring day, a significantly smaller proportion—46 percent—of women were patrons.

Despite the fact that there are more adult females than males in the population, males outnumber females for on-premises occasions because of their greater propensity for eating at restaurants. Takeout occasions are evenly divided between men and women.

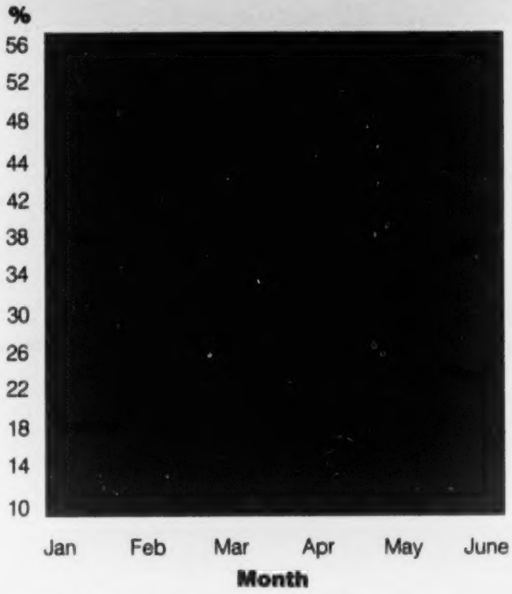
Behavior differs substantially by age as well. Younger consumers, 18 to 24 years old, are significantly more likely than all other age groups to be foodservice patrons on a typical day, especially for takeout or home delivery.

Thirty-seven percent of 18 to 24-year-olds used takeout on a typical spring day, but the proportion of adults who are off-premises patrons declines significantly for succeeding age groups.

In contrast, the likelihood of on-premises patronage declines much less as age increases, and there was little difference in the likelihood of on-premises patronage for patrons 45 years old and older in the spring of 1990.

—Susan Mills

Percent of adults who were foodservice patrons in 1990



Source: National Restaurant Association Gallup Survey

Foodservice patronage by age, spring* 1990

[illegible]

Male and female foodservice patrons, spring* 1990

[illegible]

Foodservice Market Measure

The Foodservice Market Measure is based on 1,000 telephone interviews, conducted by the Gallup Organization each month, with a nationally representative sample of adults age 18 and older. Each person is asked the same questions:

1. Which of the following did you do yesterday?

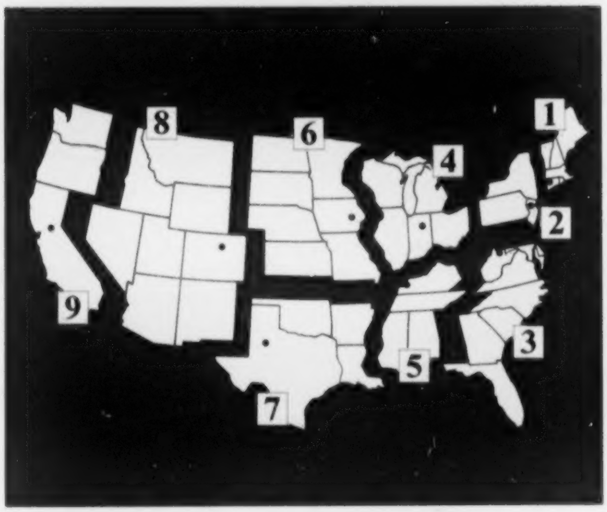
☐ Ate on the premises of a restaurant, fast food place, cafeteria or any other place where you purchased a meal or snack.

☐ Purchased takeout food "to go" or had it delivered.

2. Was the food you ate on premises yesterday for breakfast, lunch, dinner or a snack?

3. Was the takeout food you purchased or had delivered for breakfast, lunch, dinner or a snack?

The monthly tracking of purchases is supplemented by quarterly inquiries on topics of industry interest.



Location: Torrington, CT
Association member: Gary Arnold
Operation: Shiek's Sandwich Shop
Profile: Sandwich shop
In business: 20 years
Seats: 45
Meals served: Breakfast, lunch

"For being in an economically depressed area, business is pretty good," says **Gary Arnold,** whose family has owned and operated Shiek's Sandwich Shop for 20 years. The shop's clientele has changed gradually over the years—as professionals have entered Torrington's predominantly blue-collar work force. "It's becoming something of a high-tech region," notes Arnold, adding that many old factories in the area have shut down.

The Shiek's recipe for success is a simple one: high-quality food made from fresh ingredients. "It's nothing fancy," says Arnold of his blue-plate cuisine, "but it's all fresh." The family purchases as many ingredients as possible from nearby farms and suppliers. "We prepare our roast beef on the premises, and we have a local baker who bakes our bread in his garage. We make our own pasta and sauces here, and we buy our bacon direct, without any nitrates. You won't find too many cans in our place," he adds.

Location: Somerville, NJ
Association member: Timothy Maxwell
Operation: The Court Cafe
Profile: Upscale restaurant and banquet facility
In business: 3 years
Seats: 120, plus 250 in banquet facility
Meals served: Lunch, dinner

On a typical afternoon in downtown Somerville, county officials and well-dressed lawyers can be seen marching their clients through the town square on their way to The Court Cafe, an upscale restaurant across from the square. "We do a lot of power lunches," says owner/operator **Timothy Maxwell.** "This is the county seat of Somerset County, and all the county buildings are right across the street."

Summer is typically the slowest season for the restaurant, because Somerville lawyers take time off for vacations and because the nearby courts move into a slow mode. Banquet operations, however, are a source of continuing business.

"Everything on the menu is fresh," boasts Maxwell of The Court Cafe's menu. Maxwell rises at 3 a.m. on several days each month to drive to a New York City fish market to buy the freshest catch possible.

Location: Fairmont, WV
Association member: Rocco Muriale
Operation: Muriale's Restaurant
Profile: Midscale restaurant with banquet facility and catering
In business: 21 years
Seats: 230 plus 250 in banquet rooms
Meals served: Lunch, dinner

The town of Fairmont is poised for a growth spurt that should occur when the Federal Bureau of Investigation moves its fingerprint division to the area soon. "The area's in a definite upswing," says owner **Rocco Muriale,** whose business has been growing steadily in recent years at a rate of 12 to 15 percent.

Specialties at Muriale's include Italian hoagies, lasagna and ravioli, as well as steak and seafood entrees. The goal of the extensive menu, says Muriale, is to appeal to everyone with items priced for varying budgets.

Equally important, according to Muriale, is the level of service his restaurant offers. "People who come here often tell me that the food is excellent, but that the service is superb," says Muriale. Muriale trains his college-town employees extensively with films and tests. He follows this up with twice-monthly staff meetings that focus on the fundamentals of hospitality rather than on technical skill. "My philosophy is that it's more important to have a smile on your face than to always put the plate in the right place," Muriale explains.

Location: North Manchester, IN
Association member: Dave Clapp
Operation: Mr. Dave's
Profile: Counterservice restaurant and drive-thru
In business: 28 years
Seats: 56
Meals served: Lunch, dinner

Owner **Dave Clapp** is proud of his breaded-pork-tenderloin sandwich, and this year he got statewide recognition for it when he received the 1990 Pork Appreciation Award from the Indiana Pork Producers Association. "To stay in business today, you have to have a signature item," says Clapp. "For Mr. Dave's that item is the breaded tenderloin."

Mr. Dave's is located in a town of about 5,000, and Clapp says he has all the business he can handle. "We get an adult trade," says Clapp. "We have two large retirement homes here, and we also get business from up to 40 or 50 miles away."

The biggest near-term challenge Clapp faces is a local labor shortage, a situation that may worsen with the opening of a McDonald's restaurant. "Why they would want to open a McDonald's here is beyond me," wonders Clapp, "but this is one independent they aren't going to affect."

[illegible]

Location: Paducah, KY
Association members: Gayle Racca, Kathy Racca
Operation: Simply Cajun
Profile: Casual Cajun restaurant
In business: 5 months
Seats: 145
Meals served: Lunch, dinner

Introducing Cajun food to residents of western Kentucky has not been difficult, according to co-owner, operator and cook **Gayle Racca.** "Business has been good for our type of food," says Racca, whose specialties include such Cajun standbys as shrimp creole, crawfish etouffee, and chicken and sausage gumbo. For the uninitiated, Racca serves a Cajun sampler.

Co-owners Gayle Racca and Kathy Racca (Gayle's daughter-in-law) both hail from Louisiana, and they decided to open Simply Cajun after Gayle's son moved to Paducah and complained that no Cajun food was available.

Word-of-mouth recommendations have brought many new customers to Simply Cajun, and some locals have gotten their first taste of Cajun fare at one of the many banquets the Raccas have served, including a recent wedding reception.

[illegible]

Location: Amana, IA
Association member: Neal Schuerer
Operation: Amana Barn Restaurant
Profile: Midscale restaurant
In business: 7 years
Seats: 150, plus 200 in banquet hall
Meals served: Breakfast, lunch, dinner

"Business is very good at this time of year," says **Jeff Shaull,** assistant manager at the Amana Barn Restaurant, one of five restaurants located in a town of 800 people. All five restaurants rely on summer traffic from tourists who have come to visit the Amana Colonies, an Old World-style settlement where tourists can stroll through gift shops, witness furniture being made and visit an old-fashioned meat market.

In keeping with the regional theme, Amana Barn specialties include traditional German dishes, such as schnitzel, bratwurst and smoked pork chops. The Amana Barn also offers some American standards, such as prime rib and barbecued ribs.

In spite of its seasonal business, the Amana Barn Restaurant stays open year-round, which makes for a somewhat difficult labor situation. "We do fine attracting employees in the summer, when college kids return to the area," says Shaull, "but once school starts, we get in a bind. We can't over-recruit in September and October because we know that winter business drops off so much."

[illegible]

Location: Lubbock, TX
Association member: Don R. Howey
Operation: Kettle Restaurants
Profile: Midscale restaurants
In business: 9 years
Seats: 150
Meals served: Breakfast, lunch, dinner

"Business is up in all three of our Lubbock stores, even though we've had increased competition," says owner **Don Howey,** a Kettle franchisee. Howey says that recently several chains and independents have opened restaurants in Lubbock, even though it is a slow-growth area. "Of course, several have closed up, too," he adds.

A fixed-price breakfast bar has made morning a busy time at Howey's Kettle operations, and he's trying to boost lunch and dinner counts with a new menu. "We've added some fish and chicken items successfully, and we've expanded our dessert menu," he says.

Howey's Kettle locations are on major highways and near hotels, but he relies on locals—including many senior citizens—for repeat business.

MOUNTAIN

Location: Greeley, CO
Association members: Roger and Sue Albert
Operation: Fat Albert's
Profile: Midscale family restaurant
In business: 9 years
Seats: 130
Meals served: Breakfast, lunch, dinner

"Nobody else here does what we do," says **Sue Albert,** explaining the success of her family's restaurant. Fat Albert's offers Greeley residents a diverse menu of American food, including the top-selling Monte Cristo sandwich.

Dinnertime brings many families to Fat Albert's, and they are welcomed by the proprietors, who have two children of their own. "We encourage customers to bring their families, and we give out balloons to the kids," says Albert.

Greeley is both an agricultural hub and a college town that is the home of the University of Northern Colorado. "When the college kids come back from the summer, that's a boost in the arm for business," says Albert, whose operation is just a mile from campus.

PACIFIC

Location: Sacramento, CA
Association member: Catherine MacMillan
Operation: The Firehouse
Profile: Upscale restaurant
In business: 30 years
Seats: 500
Meals served: Lunch, dinner

For 30 years, The Firehouse has built its customer base with a charming mixture of tradition and change. Located in a historic district in Old Sacramento, the restaurant has grown from a neighborhood bar situated in a 19th-century firehouse into a fine-dining establishment that includes a 300-seat courtyard. In the midst of the restaurant's sprawling complex, the bar area retains its firehouse image, complete with a brass fireman's pole.

Owner **Catherine MacMillan** has made some recent changes, however. Most noticeable is an interior remodeling that has both spruced up the restaurant's appearance and made some areas more accessible to disabled patrons. The Firehouse menu, too, is undergoing changes made by new chef Ron Reicz, but many favorites are being retained. For instance, no change will be made to the grasshopper pie, which is prepared from a recipe passed down by MacMillan's mother.

—Paul Moomaw

Battle of the batters

It was a case of dueling recipes that smacked of espionage, as Sheldon Golumbia—owner of the Royal Canadian Pancake House in Manhattan—and his competitors, Anastasios Lazarakis and Nicholas Alexandrakis—owners of the Village Pancake House in Greenwich Village, nearly went to court to establish legal rights to pancakes. The hotcakes in question are special indeed, not only in taste but also in size, some reaching a foot in diameter.

Golumbia claims that the Village Pancake House pirated the pancakes when it hired his former chef, Joel Fuenmayor. Not long after Fuenmayor's arrival, the menu at the Village Pancake House became nearly identical to that of the Royal Canadian Pancake House.

When the dust finally settled—out of court—the Village Pancake House was restricted from listing items on its menu in any order similar to that of the Royal Canadian and from using any of that restaurant's recipes. It must also follow strict size guidelines so as not to interfere with those of the Royal Canadian. Golumbia has been reported to go so far as to take a tape measure to the competition to ensure that such practices are strictly enforced.

—The Wall Street Journal

Chefs say "no" to pre-packaged portions

In this age of microwaves, drive-thrus and home delivery, convenience seems to be the ultimate goal of most consumers; but the majority of chefs still prefer to do their work from scratch.

Sixty-five percent of the 137 restaurateurs surveyed by Pelouze Scale Co. of Evanston, Illinois, at the 1990 National Restaurant Association Show reported that their staffs do not use pre-packaged ingredients or portions. Even those that did report such usage said it was only in small amounts. Thirty-seven percent of this group said their pre-packaged food use is 10 percent or less; 18 percent reported usage is between 11 and 20 percent; and 26 percent said it is between 21 and 30 percent.

—DeFrancesco Goodfriend Public Relations

Chef chat

Having a crisis in the kitchen? Hold on, help is only a phone call away. The Sheraton Grande Torry Pines in La Jolla, California, recently connected its "Chef's Hotline" [(619) 450-4527] as a special service to the local community and guests at the 400-room hotel. The hotline, which operates between 4 p.m. and 7 p.m., allows callers of all skill levels to speak directly to a member of the hotel's professional culinary staff about everything from helpful hints to recipes. "I am constantly asked tricks of the trade," says hotline creator and executive chef Jim Coleman. "Now through the 'Chef's Hotline,' the local public can consult directly with us on anything from soup to nuts."

—Market Watch

Potty parity

As of June 1, 1990, women in New York state will no longer have to wait in long restroom lines while men walk right in. A new "potty parity" law is on the books to ensure equality. (The idea is not new; California became the first equal-opportunity-restroom state in 1987.)

The new New York statute requires all new public facilities, including restaurants, theaters and bars, to install just as many stalls in the women's restrooms as there are stalls and urinals in the men's counterpart, in order to process an equal number of patrons.

Rationale for this law was fueled by a 1988 study at Cornell University, which reported that women spend an average of 80 seconds in the restroom (not including sink and mirror time), compared to 45 seconds spent by men. Similar legislation is cropping up in other parts of the country.

—NACS SCAN

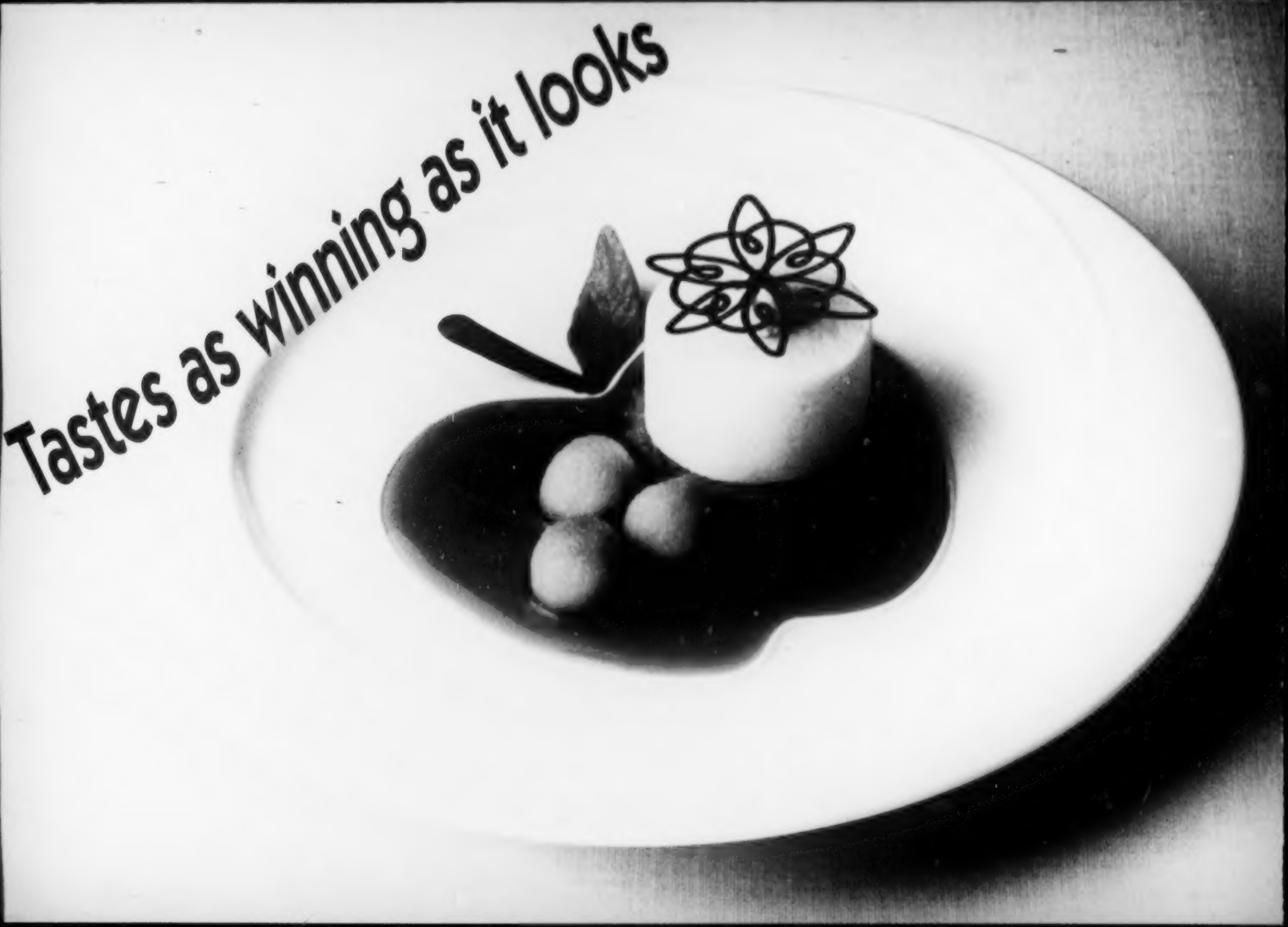
Spreading good flavor—before its time?

For customers used to spreading butter on their bread, being presented with an alternative—no matter how tasty—can be a little unsettling. That's what three restaurants in the Philadelphia area discovered when they removed butter from their tabletops and replaced it with olive oil.

At Apropos the oil is served with bread. At Auburn's it is offered for dipping—with the addition of basil and garlic for a little zest. Stazi Milano infuses its olive oil with chili peppers and encourages customers to pour the mixture on fresh peasant-style bread.

Although the restaurants still champion olive oil over butter, they have relented on their "no butter" policy and will bring butter to the table if a guest requests it.

—Philadelphia Inquirer



Taste of Gold: The Road to the World Championship

Taste of Gold features 250 recipes as well as countless pointers on preparation and presentation from the 1988 Culinary Team USA.

This is a cookbook every champ has to own. . ., and your purchase will help trigger a significant contribution to the 1992 Culinary Team USA.

To order a copy of Taste of Gold, *write the American Culinary Federation, P.O. Box 3466, St. Augustine, FL 32085. The cost is $22.50, which includes shipping.*

MOTIVATION ■ MANAGER/PARTNER PROGRAMS ■ EXIT INTERVIEWS

THE MONTHLY MAGAZINE OF THE NATIONAL RESTAURANT ASSOCIATION VOL. 10 □ NO. 9 □ OCTOBER 1990

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REST USA

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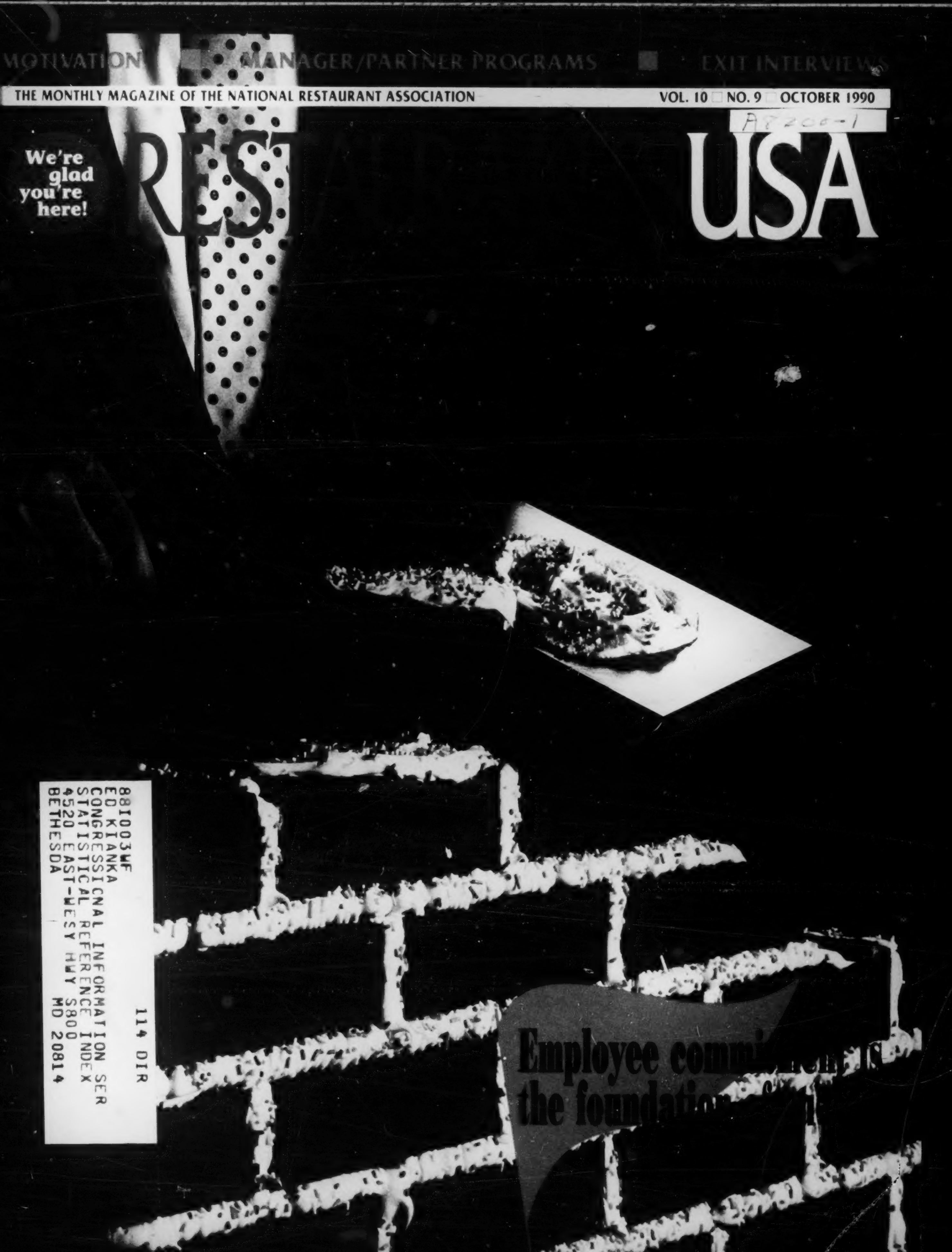

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Employee commitment is the foundation of [illegible]

ASSOCIATION MEETINGS

SEMINARS

Basic Foodservice Courses

Dining Room Management

11/12	San Francisco, CA
11/13	Los Angeles, CA
11/14	Phoenix, AZ
12/3	Pittsburgh, PA

Kitchen Management

10/15	Philadelphia, PA
10/29	New Orleans, LA
11/12	Atlanta, GA

Foodservice Management Courses

Applied Foodservice Sanitation

10/29	Anaheim, CA
10/30	W. Hollywood, CA
10/31	Sacramento, CA
12/3	Hartford, CT

Applied Foodservice Sanitation Train-the-Trainer

10/31-**11**/2	Chicago, IL

Banquet Management

10/22	Chicago, IL
10/29	Denver, CO
11/12	Portland, OR
11/13	Seattle, WA
12/3	Los Angeles, CA
12/4	San Jose, CA

Food Cost Management

10/23	Chicago, IL
10/24	Minneapolis, MN
11/13	Newark, NJ
11/14	Greensburg, PA

Marketing Strategy

10/16	Tyson's Corner, VA
11/27-28	Boston, MA

Off-Premises Catering

10/29-30	Chicago, IL

Profitability

10/15	Seattle, WA
10/23	Worcester, MA
10/29	San Diego, CA
11/27	Baltimore, MD
12/3	St. Louis, MO
12/4	Denver, CO

Promoting Your Restaurant

10/22	Los Angeles, CA
10/23	San Jose, CA
11/12	Chicago, IL
11/13	Louisville, KY

Successful Buffet Management

11/19	Nashville, TN

Takeout Delivers Profits

11/12	Boston, MA
11/13	Charlotte, NC

The Labor Issue

10/15	Chicago, IL
10/30	New Orleans, LA

For information, contact:
Educational Foundation of the
National Restaurant Association
250 South Wacker Drive
Chicago, IL 60606
(312) 715-1010 or 1-800-765-2122

If your company is interested in our in-house programs, call or write to the attention of Jeff Harrison at the above address.

Note: *All Chicago seminars are held in the educational foundation's conference center at 250 South Wacker Drive.*

EXECUTIVE STUDY GROUP SERIES

Financial Officers

10/3-5	Captiva Island, FL

Foodservice Purchasing Mangers

10/25-26	Tampa, FL

Internal Auditors

9/11-14	Seattle, WA

Labor Relations/Human Resources

10/4-5	Chicago, IL

Large Independent Operators

10/10-12	Kansas City, MO

Management Information Systems

10/9-12	Denver, CO

Marketing Executives

10/17-20	Arlington, VA

Multi-Unit Architects, Engineers and Construction Officers (MAECO)

11/14-16	Miami, FL

Quality Assurance

10/1-3	San Antonio, TX

Safety Officers

8/6-8	Kansas City, MO

Tax Executives

10/3-5	Captiva Island, FL

For more information on specific study groups, contact: Philip Kralovec, (312) 853-2525.

The Executive Study Groups present semi-annual professional development programs for executives who would like to meet with their industry peers to share ideas and concerns. Executives in each of the aforementioned disciplines from member foodservice companies are welcome and encouraged to participate.

COURSES AND BOOKS AVAILABLE

Certification Courses

Applied Foodservice Sanitation
Applied Foodservice Purchasing
Managing Quantity Food Production
Management by Menu
The Financial Ingredient in Foodservice Management
Foodservice: A Managerial Approach
Legal Aspects of Foodservice Management
Foodservice Supervision: Achieving Success through People
NEW! Effective Foodservice Marketing
NEW! Introduction to the Foodservice Industry/ Introduction to Foodservice Management

Self-Development Courses

Protecting Restaurant Profits: Managing Security
Effective Communication
Managing People
Restaurant Operations and Control
Restaurant Purchasing
Bar and Beverage Management
Helping People Grow
Service: Managing the Guest Experience

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RESTAURANTS USA

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PRESIDENT'S REPORT

Michael E. Hurst, owner
15th Street Fisheries, Ft. Lauderdale, FL

New task forces to tackle issues

When the National Restaurant Association Board assembled in Washington DC last month to make policy for the association, several new task forces met to plan the course of our action in several areas. The Task Force on Environmental Concerns will explore the steps restaurant owners and employees can take to help conserve our environment. The Task Force on Solid Waste will examine programs restaurateurs can establish in their operations and in their communities to control the waste problem. The Task Force on Industry Needs will study the future needs of our industry and the methods the association should use to meet them.

Public Affairs Conference attracts 450 operators

Immediately following the fall Board meeting, the annual Public Affairs Conference brought 450 operators from 42 states to Washington. The conference gave us a chance to discuss important issues face to face with members of Congress. The association's government affairs department scheduled about 300 appointments for association members to meet with their representatives on Capitol Hill.

At the *Chef d'oeuvre* reception attendees were able to continue discussions with the more than 250 congressional representatives in a social setting, while enjoying food provided by eight of Washington's finest restaurants.

Two issues in particular were the focal point of the conference: the FICA tax on tips (H.R. 446) and the minimum-wage law. The FICA tax on tips requires employers to pay a payroll tax on tips, which are not wages. We are pressing to have the law repealed. The minimun-wage law, which went into effect last April, contains language that makes it virtually impossible to apply the small-business enterprise test. We want to amend this "glitch" so that the small-business exemption for businesses grossing less that $500,000 a year will be allowed.

Celebrate your customers

The "We're glad you're here!" campaign was launched in July by the association's communications committee. By now, you should have received the catalog and order form for this program. Our industry is facing tremendous competition, and we need to focus even more on our customers to ensure that they feel their importance to our operations. You can reinforce this concept by displaying the "We're glad you're here!" logo in your restaurant. Please join your colleagues in celebrating our customers.

Plans underway for association's platinum jubilee

Also at the Board meeting, the communications committee announced plans to celebrate the National Restaurant Association's 75th anniversary in 1994. The founding year of the association (1919) will serve as a focal point for the festivities, but we also want to collect memorablia and historical points of interest from you so that we can present a complete history of our industry's development in the United States. You will receive more information on the celebration as our plans develop.

New foundation seminar

A new seminar has been added to the many national programs provided by The Educational Foundation of the National Restaurant Association. "Train-the-Trainer" is a seminar based on the foundation's applied foodservice sanitation/SERVSAFE course. It educates, tests and certifies participants. During this three-day program, attendees will be taught to conduct effective sanitation courses in their own operations. "Train-the-Trainer" will be held twice in Chicago—October 3 to 5, 1990, and October 31 to November 2, 1990. Additional "Train-the-Trainer" seminars are scheduled nationwide for 1991. For more information, contact the educational foundation at 1-800-765-2122.

Two new research reports

The association's research department has published some new reports. *Restaurant Spending: Consumer Expenditures on Food Away from Home—1988* summarizes spending data by household demographics. Another report, *Casual and Fine Dining*, reveals the frequency of eating out in these restaurants, based on a random sample of 1,000 adults. It also covers the occasions on which consumers chose each type of establishment.*

We welcome the 73 new members who joined our association in September. We look forward to your participation in furthering our industry's best interests.

Sincerely,

Michael E. Hurst

Michael E. Hurst
President and Chairman of the Board

*When ordering any publications, send a check or money order to the association's publications department in Washington, DC, giving title and catalogue number. To order by phone on a credit card, call the association's information services department at 1-800-424-5156 or (202) 331-5900. Both postage and handling are now included in the publication price.

The Congressional Leadership Forum Brings Politics and People Together

The National Restaurant Association's Congressional Leadership Forum (CLF) brings Congress closer to the foodservice industry. One example of a CLF-funded event is the annual **Congressional Visit Program**, which brings over 20 members of Congress to Chicago each spring to tour exhibits at the National Restaurant Association's Restaurant, Hotel-Motel Show. Escorted by constituent restaurateurs and suppliers, legislators see firsthand the enormous array of products and services the foodservice industry offers.

Association Director Bernie Schreiner with Wisconsin representatives Tom Petri and Steve Gunderson

NATIONAL
RESTAURANT
ASSOCIATION

CONGRESSIONAL LEADERSHIP FORUM

Participating in the Congressional Leadership Forum enables you to influence political decisions that affect your business. Some CLF programs include:

- **The Congressional Visit Program**, during which the association hosts over 20 members of Congress at the annual trade show in Chicago.
- **The Public Affairs Conference**, which brings together hundreds of restaurateurs, suppliers and congressional representatives for three days to learn about issues. One conference highlight is the "Chef d'Oeuvre" congressional reception featuring foods from top Washington restaurants.
- **First Thursday Meetings**, during which foodservice industry lobbyists meet to hear from congressional or other speakers.
- **National political party programs**, which give the association a chance to interact with national leaders.
- **"Meet and Greet" candidate receptions** that introduce political candidates to industry representatives and the Washington political community.

RESTAURANTS USA

COVER STORY

COMMITTED EMPLOYEES: BUILDING A FOUNDATION THAT WORKS

With committed employees, you can build a solid foundation for your business. Without them, your success will be unsteady at best. This issue of ***Restaurants USA*** focuses on many aspects of the critical connection between restaurant owners and their employees and provides some guidelines for building—and maintaining—a strong workforce.

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The nation's health-care crisis could change restaurants forever.

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Committed employees do not just appear. It takes management effort from the moment of first contact with a job applicant.

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What inspires employees to reach beyond the simple limits of their job descriptions? Here are some ways to motivate your staff.

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When it comes to feedback, make sure your staff knows the score!

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Grief can be an overwhelming emotion, making it difficult for employees to bounce back and report to work for "business as usual." There are ways to ease the pain—for both the employee and your business.

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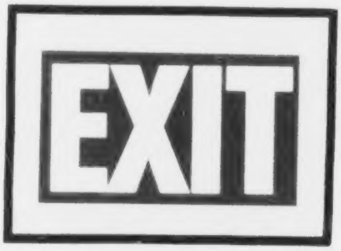

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Cover photo by Gary Landsman, baking supplies by Waters Caterers, Rockville, Maryland

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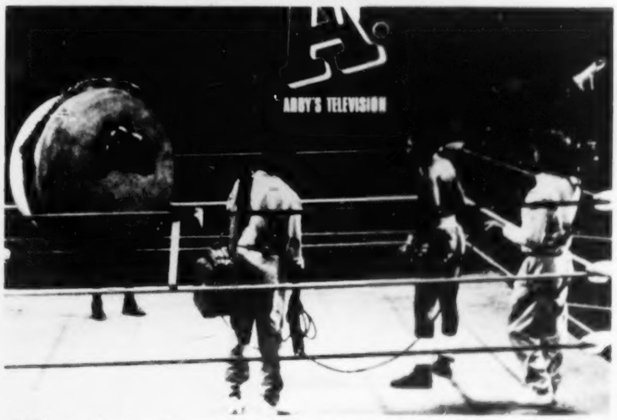


***With a pinch of humor.* Arby's, Inc., is using the power of television to communicate with its 50,000 employees. The quarterly videotaped show premiered in early 1990. It features humorous vignettes about various topics, such as suggestive selling and quality control. Shown above is a crew filming Atlanta comedian and ATV host Rob Cleveland battling a burger (which is symbolic of the competition).**

Third annual Culinary Quadrathlon

On Sunday, October 28, New England Culinary Institute (NECI) will host the Third Annual Invitational Culinary Quadrathlon. Culinary schools nationwide have been invited to compete in this contest, which combines the culinary arts with physical fitness.

The Quadrathlon tests four areas of skill: biking, food preparation, running and table service. The contest is divided into five stages.

The event begins as cyclists race with a mystery bag of ingredients along a grueling 12-mile course through the streets and scenic backroads of Montpelier, Vermont. Arriving at one of NECI's restaurant kitchens, the bag is delivered, contents unknown, to the team's prep cook.

During the second leg of the race, the prep cook must plan a single course meal from the ingredients in the mystery bag—under the watchful eyes of spectators and video cameras. After completing the mise en place and assembling it on a tray, the prep cook hands off the food to the runner.

In the third leg of the quadrathlon, the runner dashes off to the institute's banquet kitchen, a mile away atop Montpelier's steepest hill, to present the tray to the finish cook.

In the fourth phase, the finish cook is allotted one-half hour to prepare the dish according to the prep cook's written instructions. He or she prepares a display plate and a serving for each of the judges.

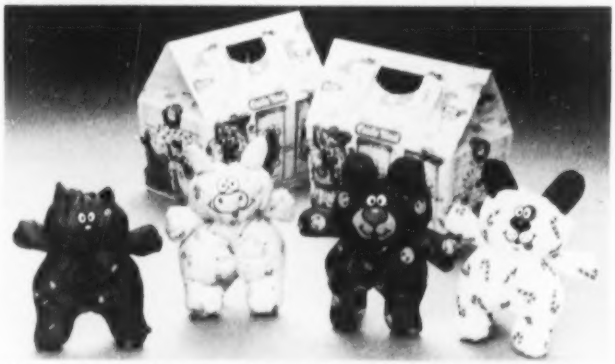
In the fifth and final leg, the foodserver announces the menu to the judges, who are seated at a table carefully set by the server earlier that morning. The dish is then served, and the judges begin their critique. Time counts for 30 percent of the final score.

Association sponsors disability insurance

The National Restaurant Association continues to sponsor a disability-income insurance plan. The amount of monthly benefit payments, when benefits begin and how long they continue are all flexible to meet the needs of members and their employees.

The association's plan provides monthly benefits of $200 to $1,500—in $100 increments—to those unable to work because of a disabling illness or accident. Members between the ages of 55 and 59 are eligible for up to $1,000. Total benefits combined with So-

Holiday hugs from White Castle



***A promotional partnership.* Holly Hog, Teddy Bells, Kitty Lights and Candy Canine will be brightening White Castle meal packages for children this holiday season. Called "Holiday Huggables," these cuddly stuffed characters were developed by Hallmark Properties exclusively for White Castle restaurants.**

A Yellow Pages first

THE DONNELLEY DIRECTORY
NORTHWESTERN AREA
ANARKALI
Restaurant

***Menus on display.* When the Yellow Pages appeared on 500,000 Southern California doorsteps this fall, the restaurant section carried menus in a standardized display-ad format. "Donnelly believes—and our restaurant advertisers agree—that easy accessibility to a restaurant menu will greatly influence a diner's decision on where to eat," says Bruce Takacs, director of marketing for Donnelly Information Publishing, which publishes the Yellow Pages.**

cial Security, Workers Compensation or other disability plans can't exceed 66⅔ percent of a monthly earned income.

Benefits can begin after the 30th or 90th day of disability and can continue for two, five or seven years.

House or hospital confinement is not necessary to receive benefits, and benefits are nontaxable according to current IRS rulings. Recurring disabilities are regarded as new claims if a member returns to full-time employment for at least three consecutive months.

All National Restaurant Association members and their employees who are under age 60 and are working at least 30 hours per week are eligible to apply.

For more information about the plan, contact Albert H. Wohlers & Co., insurance administrator, 1440 N. Northwest Highway, Park Ridge, IL 60068-1400. Or call 1-800-323-2106.

Folse named ACF chef of the year

Louisiana Chef John D. Folse, CEC, AAC, has been elected National Chef of the Year by the American Culinary Federation (ACF). Selection is made by secret ballot of the ACF membership, which has more than 18,000 members.

Folse is chef/owner of Chef John Folse & Company, which includes Lafitte's Landing Restaurant in Donaldsonville and White Oak Plantation in Baton Rouge. He is author of the *Encyclopedia of Cajun and Creole Cuisine* (1984) and *The Evolution of Cajun and Creole Cuisine* (1990).

Dear Editor:
I would like to take this time to thank you for the article ["Restaurateurs run for Congress"] in the August 1990 ***Restaurants USA.*** It was a very well-written article.

I am looking foward to serving as congressman of Ohio's Eighth District, but to help to ensure that victory, your financial support is greatly appreciated and needed. Please feel free to contact me any time.

Thank you for your help and support.

—Greg Jollvette
Hamilton, Ohio

Would you do business with you?

The manager stands at the entrance watching the smiling hostess greet every diner. Busboys are attentive; every server is friendly and prompt. The manager congratulates himself on a restaurant that performs perfectly.

But what happens when the manager walks out the door? How are customers treated?

Customer-relations firms can help restaurateurs and retailers all over the United States and Canada find out what their customers are saying about them—before their customers get a chance to say it to someone else.

The "mystery shoppers" that these evaluation companies employ observe and document all happenings from the moment they park, enter the restaurant, are greeted, seated, and served—all the way to comments as they leave the restaurant.

Was the parking lot attractive and inviting? How long did it take to be acknowledged? What were

the first words spoken by an employee? Was the food hot and attractively served? Did the employee thank the customer and invite him or her to return?

Restaurant executives expect their sales staff to be efficient, courteous, knowledgeable, attentive and responsive in "selling" their goods to the public, and to reflect the appropriate image of their establishment. Customers generally expect the same.

These sound like simple, basic expectations that employers and customers reasonably assume will be met by restaurant personnel whose living is earned by serving the public. Right? Unfortunately, not true.

Shoppers have related some dismaying encounters. Here are some examples:

☐ "I was met with a stone face and greeted with 'smoking or non-smoking?' "

☐ "No one smiled at us the entire evening. I felt we were eating in a morgue."

☐ "She didn't know what they used in their sauce but said, 'I'm sure it's good!' "

One incident in particular reported by a shopper captures both the waiter's disregard for his reputation and that of the restaurant as well as his disregard for the customer's satisfaction: "The waiter brought the ticket to our table, and we immediately handed him our charge card. He returned to our table several minutes later and announced, 'I've lost your card!' After we had searched the table frantically to no avail, we asked the waiter to check the register. He returned with our receipt and charge card a short time later and simply stated, 'Y'all have a nice night.' "

Even if members of a company's staff are not deliberately rude or negligent, some of them simply are unskilled in serving the public. It's this lack of grace that makes customers feel unappreciated.

Once a customer-evaluation company has received completed reports from its field representatives (shoppers), it analyzes the data, giving its clients clear insight into the strengths and weaknesses of each individual, each operation, each region and the total company. Managers can use this information to commend their top performers and offer incentive plans, as well as take immediate action in areas where improvement is needed.

Every business has its unique quirks that show up in extensive shopper contacts. As clients who manage the companies that are shopped are told, the final report card is—as difficult as it may be to take—a reflection of their leadership. Even if these executives themselves have ethical, efficient, positive attitudes and behavior, they must communicate to employees that the staff is expected to behave in the same manner. Without constant training, encouragement, reinforcement and support, employees will inevitably lose sight of the lofty performance goals set by those at the top.

Many times we forget to put ourselves in the customer's place. Ask yourself the question, "Would you do business with you?"

—Vickie L. Henry, president of Feedback Plus, Inc., Dallas, Texas

Some simple things restaurateurs can do to save the earth

In this interview with **Restaurants USA** *John Javna, author of the best-selling* 50 Simple Things You Can Do to Save the Earth, *shares his ideas with foodservice operators.*

John Javna's "qualifications" to save the earth are no more impressive than anybody else's—and that's precisely his point. "I'm just an average baby-boomer who, like the rest of my generation, found myself wondering what I could do to help stop the destruction of our environment, of this planet," explains Javna. "I felt powerless to stop it, until I started looking into ways I could make a difference.

"I write books for a living about popular culture, so writing a book wasn't such a big leap. Anyway, about a year ago, I put my savings into publishing *50 Simple Things You Can Do to Save the Earth*. I was hoping just to break even, but it wound up on the *New York Times* best-seller list [as number one], and so here I am."

Javna's Earthworks Group in Berkeley, California, now churns out other how-to books, such as *50 Simple Things Kids Can Do to Save the Earth* and the *Recycler's Handbook*, which came out last month. The *Recycler's Handbook* guides the reader through the recycling process and details how to set up recycling centers. Another book, *50 Simple Things Businesses Can Do to Help Save the Earth*, is oriented to the corporate office environment. It will be published in the spring of 1991.

Start with the idea

Anybody, the average restaurateur included, can help save the earth, says Javna. "First of all you have to start out with the idea that it's worth doing *something*," he explains. "If it were easy, we already would have done something about the environment. One of the main reasons we published *50 Simple Things* . . . is because we recognized the fact that it takes time for people to make even simple alterations in their lifestyles. But even simple alterations can make a big difference.

"What's good for the earth can also be good for business."

"Studies show that 80 percent of Americans say they are 'environmentalists,' yet they find it hard to do something about it," continues Javna. "Restaurateurs are very visible in the community; they can set a good example by showing people that they're willing to make that little, extra effort. They also have the opportunity to capitalize on that 80 percent of Americans who will respond to those extra efforts.

"Sooner or later," cautions Javna, "it's all going to be legislated, so you might as well be on the forefront, leading change instead of resisting it. And you can work those efforts to your best advantage. What's good for the earth can also be good for business."

Recycle, recycle, recycle

Recycling is one obvious and relatively simple way more restaurants can pitch in for the environment. It doesn't cost anything, and in many cases it actually pays. "Aluminum recyclers will pay you for cans, and in some cases glass recyclers also pay you for recycling," notes Javna.

He lists several other reasons to recycle aluminum and glass. "Aluminum cans come with a lifetime guarantee. They are 100 percent recyclable. It's actually cheaper to recycle aluminum cans than it is to make new ones from scratch. Moreover, the material used for making aluminum—bauxite—is imported. As for glass, 30 percent of the energy and 50 percent of the pollution is saved by recycling. It just doesn't make sense not to recycle it.

"I'm always surprised, then, that restaurateurs can offer reasons not to recycle," he marvels. "They'll say, 'The cans and bottles attract insects.' That's true if you don't rinse them out and don't keep them in a covered container. Then there is the space issue: 'I don't have the space to keep all that stuff around,' restaurateurs say. Well, you can crush aluminum cans, but glass bottles do take up space." To alleviate storage problems, many recycling companies often arrange a regular pick-up for large-volume sources, such as restaurants and hotels.

Javna also counsels restaurateurs to support recycling through their own buying power: "Whenever possible, buy goods made from recycled material, such as napkins, paper towels, paper bags and bathroom tissue."

"Fixed" costs can be fixed

Gas, electricity and water bills are usually considered fixed expenses among restaurant overhead costs. Javna suggests several ways to really "fix" these costs while also fixing the environment. "Being environmentally sound is also economically efficient, especially in this area," he says. "*Ask your power companies to do an energy audit for you.* That's a good way to identify and eliminate energy waste."

Lower the water-heater setting. "About 40 percent of our energy is used in heat, so you can save a lot of money when you take the time to be efficient," he says. "Many restaurant dishwashers have booster heaters, so it isn't necessary to set the main water heater at 140 degrees. My book suggests lowering the setting to 130 degrees; but I've read a lot since the book has been published, and I think you could safely set the temperature as low as 120 degrees and still prevent bacterial growth. Six percent of the heater's energy is saved by reducing the temperature by 10 degrees."

To fix your light bill, *use compact fluorescent lights* wherever feasible. "They save energy, work and money—and they're good for the environment," says Javna. "Compact fluorescents are color-rendered to look like regular incandescent bulbs," explains

50 SIMPLE THINGS YOU CAN DO TO SAVE THE EARTH
THE EARTH•WORKS GROUP
THE RECYCLER'S HANDBOOK
50 SIMPLE THINGS KIDS CAN DO TO SAVE THE EARTH

***50 Simple Things You Can Do to Save the Earth*, the *Recycler's Handbook* and *50 Simple Things Kids Can Do to Save the Earth* are three environmental guidebooks published by Javna's Earthworks Press. The latest, *50 Simple Things Businesses Can Do to Save the Earth*, is due out in the spring of 1991.**

Javna, "but they use only one-quarter of the energy of incandescent bulbs, so they keep carbon dioxide out of the atmosphere. Although they are a lot more expensive than regular bulbs, they last about 10 times as long. That's why you really can't make a direct cost comparison. In the long run, however, they definitely save you money. Compact fluorescents are especially useful in hard-to-reach fixtures, such as ceilings, because you don't have to change them nearly as often."

Another easy light-saving tactic, adds Javna, is to *post simple reminder signs* in the restrooms that say "Help us save energy. Please turn out the lights when done."

Install low-flow faucet aerators; they can cut water flow by as much as 50 percent.

Fix leaks. The bathroom is the chief water-wasting culprit, even in a restaurant. "A leaking toilet can waste water in the tens of thousands of gallons," warns Javna. "To check whether your toilets are leaking, pour some blue dye in the tank after closing one night, but do not flush. If the water in the bowl is blue the next morning, you've got a leak to repair."

Even nonleaky commodes flush more water than necessary. A water-displacement device placed in the tank, such as a water-filled plastic bottle, also prevents thousands of gallons of water from being wastefully flushed away over the course of a year.

What you don't do counts, too

Although the debate over styrofoam versus "degradable" paper cups and plates rages on, on this point Javna has a strong opinion. "Don't use styrofoam containers," he says. "HCFC-22, the new chemical formula for making styrofoam, is an improvement over the banned CFCs, but it is still not safe, because it still depletes the ozone. Once there is a hole in the ozone layer, there is no way to repair it; we can only try to stop its growth.

"Styrofoam is also bad for people's health," warns Javna. "Styrene is made from benzene, a known carcinogen. Pretty soon the health effects of styrofoam will be well known and widespread. In one study, 100 percent of adults tested had styrene in their fat tissue. Now, I'm not saying that it all ended up there just because they drank hot liquids, such as coffee, from a styrofoam cup; but at higher temperatures, styrofoam does begin to melt.

"Eventually, within five or 10 years, styrofoam is going to be banned completely," declares Javna. "If a restaurant wants to be ahead of the pack, it can switch to paper or reusable ware now. People really are willing to pay a little more to support a business that's spending a little extra to save the environment.

"Here in Berkeley, there's a place called Betty's Diner. If you bring in your own cup, you get five or 10 cents off each cup of coffee," he says. "It's a small but significant way to take a stand against using styrofoam, and it's a 'doff of the hat' to customers who are making an effort."

Another "don't" that counts is not to use plastic plants in restaurant decor, especially when there are live plants that enhance not only the look of a room but also the quality of the air. "Plastic plants are the ultimate hypocrisy," says Javna. "I realize they don't require any maintenance, but there are actually living plants that work for you. I cannot remember them all off-hand, but there are several beneficial plants listed in our upcoming book for businesses. But one does come to mind: spider plants. They are natural air purifiers, because they actually absorb air pollutants."

Support other efforts; tout your own

"Get involved in a public-education effort. Put up a bulletin board where your staff and customers can see it," suggests Javna. "Post articles about the environment and ideas for taking action. Recognize individuals who are making a difference. Post the things you're doing in your own restaurant to make a difference.

"But just putting up a bulletin board can backfire," he cautions. "It's not enough to simply post the efforts of others; you must also make the effort. Get involved, even in small ways, and help spread the word. Then be sure you take credit for all the things you do. It's great P.R."

You are what you pretend to be

"Kurt Vonnegut once said that 'You are what you pretend to be,' " recalls Javna. "If you start out by just putting up a bulletin board—telling people what you are doing and highlighting the work of others, you will eventually find yourself more concerned, more committed and more active."

—*Joan E. Herlong*

Editor's note: The National Restaurant Association realizes that many of these issues are still unresolved. The opinions expressed here are those of Mr. Javna.

Boston, Massachusetts

Zachary's goes universal

At Zachary's, located in the Colonnade Hotel in Boston, the cuisine can be called "universal holistic."

Chef Markus Ripperger's dramatic menu changes for the landmark restaurant have moved it away from its former continental standards to principles tied to the four basic elements: earth, air, fire and water.

A fixed-price offering from the water category, for instance, includes a small caviar appetizer placed on a potato tartlet with creme fraiche, an iced watermelon soup and a main course of either duck or Norwegian salmon. The fire category draws its heat from several smoked and grilled dishes, including swordfish medallions grilled on a wood-burning stove, served with a reduction of chardonnay and key lime.

The impetus for this bold menu transition occurred more than a year ago, when management determined that after 18 years as a traditional a la carte restaurant, Zachary's was due for a change. "Business was slow," recalls Ripperger, "and other restaurants had been opening left and right. We planned last year to close and re-open, so for the whole year I went into the dining room and talked to patrons."

Ripperger learned that Zachary's was a bit out of step with its audience. For example, older patrons (many of whom attend Boston Symphony concerts next door) longed for healthier menu options, so Ripperger adopted healthier preparation methods. "We had people come in all the time and order plain broiled scrod," recalls Ripperger. "I thought, why would people come in and order the most boring food there is?"

Chef Markus Ripperger has made dramatic menu changes at Zachary's in Boston's Colonnade Hotel. The new menu is tied to the four basic elements: earth, air, fire and water.

Zachary's was also missing out on young professional customers from the nearby Back Bay neighborhood. The traditional a la carte menu was intimidating for people who were worried about things like "when to order the soup," says Ripperger. So he asked for permission to make the radical change to full-menu offerings. "Let me do a set menu," said Ripperger. "People can choose the main course, and I'll do the rest."

The Zachary's atmosphere has been updated as well. Classical music has turned to light jazz, and the restaurant's interior has been redone in a sleek gray and black. As a symbol of the changes and as a reflection of the chef's philosophy, the unique menu was adopted. "That's where my personal beliefs came in," says Ripperger. "Food is almost a medicine; if you don't eat healthy, you get sick."

In keeping with this focus, Ripperger uses organically grown produce, grass-fed beef and free-range chicken whenever possible. This commitment to chemical-free food "gets people thinking about what eating is all about and where food comes from," he says.

With the menu changes have come lower prices, which Ripperger reports have been good for business. "Lower prices have led to higher average checks," he says with pride.

New York, New York

Just yin and yang

More than a year ago, two young New York restaurateurs set out to write a new chapter in the ever-evolving story of Manhattan dining. Steve Frankel and Scott Posner decided that the ubiquitous health-food restaurant should grow up and marry fine dining. The resulting offspring is Nosmo King, located in Manhattan's hotter-than-hot TriBeCa neighborhood.

Co-owner Steve Frankel is as proud of his restaurant's high-minded statement of purpose as he is of the menu, which includes such items as the appetizer Green Bean and Seaweed Salad with Warm Goat Cheese. "Over time, my values, interests and diet have changed," says Frankel, who formerly co-owned and operated Exterminator Chili. At Nosmo King, Frankel is committed to the use of "clean" foods, including organically grown produce, fresh fish and free-range poultry. There is also an element of patriotic regionalism; Frankel calls on nearby farms as often as possible to provide the low-spray products that he prefers.

"I'm trying to make our business run on a lot of different levels," says Frankel as he explains Nosmo King's philosophical bent. "People can just come to enjoy a meal if that's what they want, but we try to address other issues as we can." Other elements of the Nosmo King formula include strong commitments to recycling, healthy dining and a smoke-free environment.

Scott Mayhew

Owners Steve Frankel and Scott Posner and chef Alan Harding have combined health food with fine dining to produce Nosmo King.

The Nosmo King menu defies standard cuisine classification, but Frankel labels it "contemporary American"—helped along by French, Italian and Asian cooking traditions. Chef Alan Harding relies on infused oils, vinegars and broths in lieu of butter and heavy cream. In fact, no dairy products (or beef) grace the Nosmo King menu—at least until dessert. The dessert menu is divided between "yang" dishes, which are prepared without dairy products or refined sugar, and "yin" dishes, in which some transgressive ingredients are allowed.

The ultimate goal, says Frankel, is to celebrate life through the pleasures of eating and drinking, but "with an eye to our collective future."

Houston, Texas

How was that fish caught?

Evan's restaurant is the Houston version of a holistic-theme restaurant. Opening with a bang on the week of Earth Day earlier this year, Evan's follows a creed not unlike that of New York's Nosmo King. Its "charter of objectives" is based on ethical business practices and environmental concern. Thus, organic foods and recycled products are used whenever possible.

Early returns show that the concept is working. According to chef Kathy Ruiz, at least half of the Evan's clientele is drawn to the restaurant because they like "the whole idea" of the operation. "We're four months into it, and I don't know where all these customers keep coming from," beams Ruiz.

Owner Evan Daily and chef Kathy Ruiz operate Houston's Evan's restaurant based on ethical business practices and environmental concerns.

"The timing has been good for our concept," notes Ruiz, who adds that she is pleased with the level of patron awareness. "I'll walk into the dining room, and they'll ask if this or that chemical is used or how the fish is caught," she says.

Ruiz can answer questions about fish acquisition with confidence, since her seafood suppliers are "longline" fishermen who don't use nets. "They catch only what they're going to use," says Ruiz.

The "New Age" Texan responsible for founding Evan's restaurant is Evan Daily, a 28-year-old entrepreneur whose original goal was to open a vegetarian establishment. Chef Ruiz, however, encouraged Daily not to exclude carnivores from the customer base; and although the focus is on the natural, the resulting upscale menu allows for free-range chicken and even a beef tenderloin. More typical, however, is the house salad, which features mixed greens, herbs and edible flower petals topped with a rose-petal, honey vinaigrette dressing.

—Paul Moomaw

LIME-AND-CHILI-GRILLED CHICKEN

Serves 4

Ingredients:

2 chicken broilers, halved
¼ cup red onion, chopped
4 poblano peppers, roasted, peeled, seeded
4 cloves garlic, peeled
2 Tbs. cilantro
¼ cup basil-infused oil
¼ cup lime juice
½ tspn. ground comino
1 Tbs. white pepper
Salt to taste

Method:

Puree all ingredients except chicken in blender. Rub the chicken halves with the marinade and let sit for one hour. When ready to cook, remove the chicken from marinade and let excess drain off. Reserve marinade. Grill the chicken over hot coals, turning and basting with remaining marinade for about 30 minutes or until done.

Hurst crosses country with "celebration of education" message

Since assuming the National Restaurant Association's top position in May, Mike Hurst has addressed 10 state association meetings, 11 industry groups and nine private corporations. He has shared his industry insights with seven student groups and has made seven videotapes for distribution by state associations to area schools. In all, an estimated 6,248 people have heard what Hurst has to say about the industry he loves.

Among the messages he conveys to his audiences, including information about the "We're glad you're here!" program and the importance of taking the offensive on legislative issues, Hurst uses the podium to pronounce his presidential term as the beginning of an industrywide "celebration of education."

"As an industry, we need to aim higher in terms of education than we currently do," maintains Hurst. "Our scholarship programs are fine, but they don't give us enough return on investment. Through one scholarship, one student is exposed to our industry and may or may not decide to go into foodservice. But what about the thousands of additional students who don't have the benefit of such exposure?"

According to Hurst, the whole notion of education in foodservice needs to be re-thought and, where necessary, revamped. "Our goal must be to reach as many potential foodservice employees, managers and owners as possible," he says. "We need to let the whole world know about our industry and the wonderful opportunities it affords—not just a handful of scholarship winners."

Hurst has brought his "celebration of education" message to thousands of people.

Hurst offers the following ideas to bolster the industry's educational efforts:

☐ *Teach the teachers.* "Seminars and programs should be held for teachers, not students," says Hurst. "One teacher reaches thousands more people than one student ever could."

☐ *Begin a videotaped lecture series for students, to be distributed through state restaurant associations.*

☐ *"Adopt" schools or classes.* Hurst suggests developing programs that could be part of a school's curriculum and might include lectures, field trips to operations and talks by suppliers.

☐ *Increase education efforts at the state-association level.* "It would cost very little yet would yield tremendous results if state associations regularly invited outstanding students to their annual conventions," Hurst suggests.

☐ *Provide programming at state vocational conventions.*

—Anne Papa Curtis

Association convenes working group on ADA regulations

Regulators Naomi Levin and John Wodatch participated in the first meeting of the association's ADA Working Group.

The National Restaurant Association's Americans with Disabilities Working Group met for the first time in Washington DC on September 13 to give input to federal agencies as they draft regulations to explain the Americans with Disabilities Act (ADA).

Signed July 26, 1990, by President George Bush, ADA prohibits bias against qualified individuals with disabilities in *all* job decisions, including hiring, pay, promotions and benefits. ADA also requires public places, including restaurants, to make their establishments accessible to people with disabilities.

The association's working group, which includes foodservice employment specialists, architectural and engineering experts, and labor-relations attorneys, met with regulators from the Equal Employment Opportunity Commission (EEOC) and the Department of Justice (DOJ). EEOC will write regulations explaining ADA's ban on job bias; DOJ is responsible for explaining ADA's accessibility requirements.

The meeting was the first in a series planned for the coming months between foodservice representatives and EEOC and DOJ regulators. By getting involved in the regulation-writing process early, the group hopes to ensure that federal regulations implementing ADA are drafted in an easy-to-understand manner that addresses the concerns of the foodservice industry and minimizes potential economic burdens on foodservice employers.

Regulations on the way

The regulators attending the meeting, Naomi Levin of EEOC and John Wodatch of DOJ, appeared to be receptive to suggestions from the association's ADA working group and willing to meet again as regulations take shape.

Levin said EEOC plans to propose ADA's employment rules—which take effect as early as July 26, 1992—near the end of this year; businesses and other interested members of the public will then have two months to comment on the proposal.

Wodatch reported that DOJ will issue proposed regulations governing the accessibility of public places at the beginning of next year and then hold several public hearings around the United States. The public-accommodations rules cover most businesses beginning January 26, 1992.

Both Wodatch and Levin promised that regulations will be in place by July 26, 1991, the statutory deadline.

Association comments

The National Restaurant Association has already filed preliminary comments with EEOC, asking that the agency write regulations in "layman's" language. The association also has volunteered to share with EEOC and DOJ the foodservice industry's vast experience in employing individuals with disabilities.

The association is planning a symposium in Washington DC on January 8, 1991, to bring foodservice operators up to date on their responsibilities under ADA.

—Andrew McLauchlin

DC ROUNDUP

☐ *House approves nutrition labeling.* Persistent lobbying by restaurateurs convinced legislators to exempt foodservice establishments from the Nutrition Labeling and Education Act of 1990, recently approved by the House. It would require nutrition labeling for most foods.

The Senate is scheduled to consider S. 1425, a nutrition-labeling bill by Sen. Howard Metzenbaum (D-OH), this fall.

☐ *Parental leave reintroduced.* Family-and-medical-leave advocate Sen. Chris Dodd (D-CT) bounced back from the House's unsuccessful attempt to override President Bush's veto and reintroduced another bill to mandate leave policies.

S. 2973 would require all employers with 50 or more workers to allow employees up to 12 weeks of job-protected leave each year for family or medical reasons. The bill is identical to the one President Bush vetoed on June 29. The House upheld the veto on July 25.

In the House, Small Business Committee Chairman John LaFalce (D-NY) introduced an alternative leave bill, H.R. 5000, that would require employers to provide up to eight weeks of parental leave a year and eight weeks of medical leave every two years. LaFalce's plan would not require employers to continue paying health-insurance premiums during an employee's time off, as Dodd's proposal would mandate.

Dodd, who introduced S. 2973 with 25 cosponsors, said he thought further action was unlikely this year but emphasized that he wanted to "keep people aware that we haven't dropped the issue."

☐ *Harkin reassures TJTC (Targeted Jobs Tax Credit) users.* Sen. Tom Harkin (D-IA) sent a letter to state employment security agencies to reassure them that he intends to see that TJTC is funded in the 1991 fiscal year.

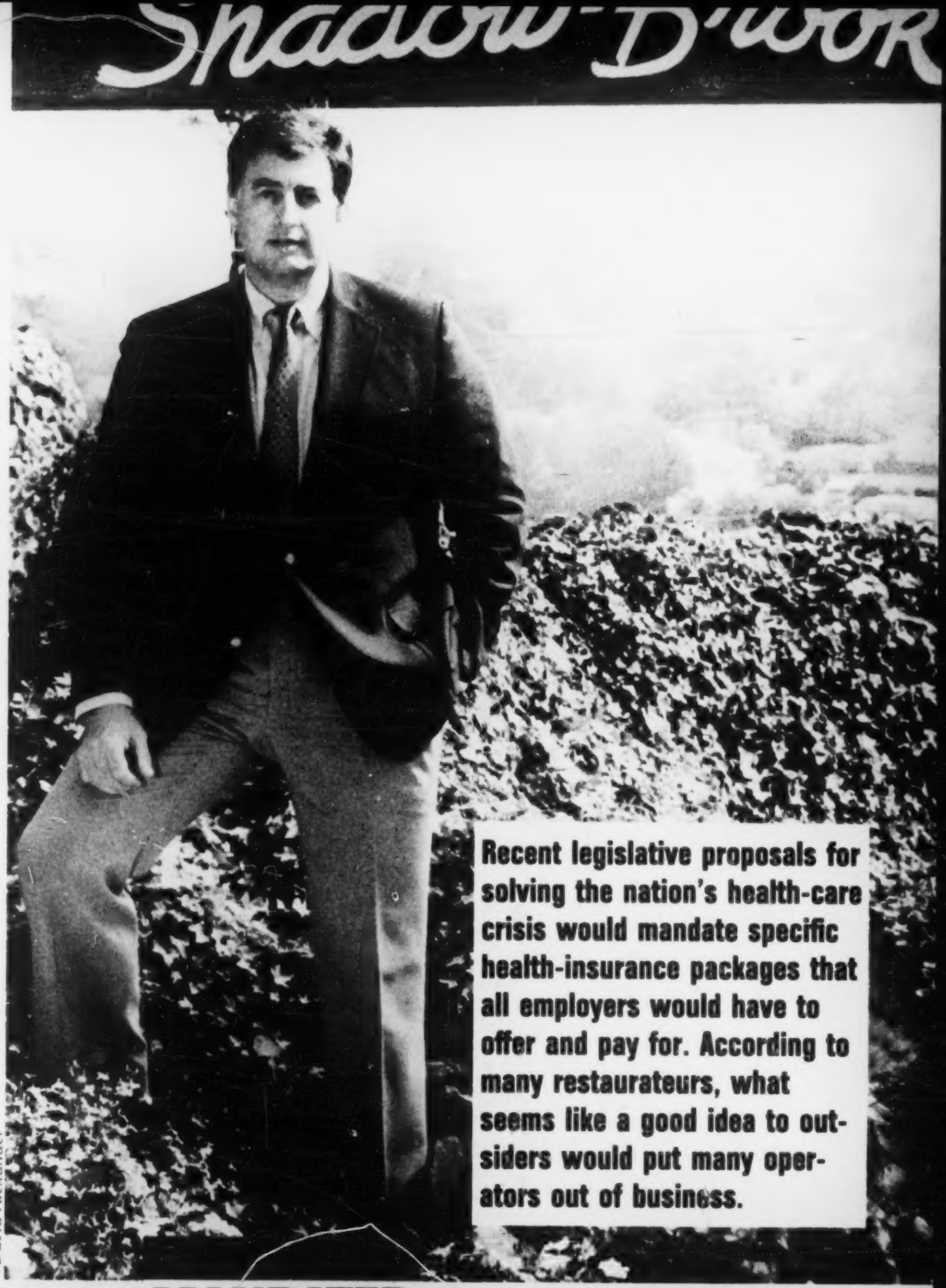
Harkin, chairman of the Senate appropriations subcommittee, which allocates the funds to run the TJTC program, is hoping to avoid a repeat of the 10 months in 1986 when job agencies refused to accept employers' requests for TJTC certifications after Congress let the credit temporarily expire.

Nearly 300 representatives and 50 senators have cosponsored bills to extend TJTC. However, the program's fate remains tied to the 1991 budget bill.

MANDATED HEALTH INSURANCE AND RESTAURANTS

THE NATION'S HEALTH-CARE CRISIS COULD CHANGE RESTAURANTS FOREVER

by Paul Moomaw



David Alexander

Ted Burke, co-owner of Shadowbrook, would have had to reduce his staff if California had passed its mandated-health proposal.

Recent legislative proposals for solving the nation's health-care crisis would mandate specific health-insurance packages that all employers would have to offer and pay for. According to many restaurateurs, what seems like a good idea to outsiders would put many operators out of business.

If the air seems extra chilly in Massachusetts restaurants in coming months, it may be the result of a cold business climate that is due to turn icier. Why the gloomy forecast? Mandated health-insurance legislation is scheduled to go into effect for all Massachusetts businesses in 1992. This law requires all employers to provide health insurance to workers; and in a state with an already struggling economy, it seems destined to freeze some restaurants out of the market.

The cold winds are not blowing just on restaurateurs in Massachusetts, however. Proposals for similar legislation are echoing through statehouses all over the country, and the U.S. Congress has considered mandating health insurance nationwide. According to restaurant operators who have calculated the costs, the passage of such proposals could end the restaurant industry as we know it today.

Although most agree that small operators are least able to shoulder a mandated-health-insurance burden, large restaurant companies would fare little better. "If California had passed a mandated-health-insurance program last year, it would have cost us about half of our pre-tax profits," says Paul Mitchell, assistant to the chairman of the board at Carl Karcher Enterprises, Inc. This Anaheim-based company operates a chain of some

500 quickservice restaurants under the name Carl's Jr. Most are located in California, a hotbed of mandated-health-insurance proposals.

The Massachusetts case

"Mandated health insurance will be the death of the restaurant industry in Massachusetts," says Thom McCabe, past president of the Massachusetts Restaurant Association and owner of Tom Foolery's restaurant in Westborough, Massachusetts. Unlike many fellow Massachusetts restaurateurs who, he fears, may not yet understand the state's law, McCabe is already calculating the effect the mandate will have on his business in terms of payroll costs and meal prices. McCabe employs about 100 workers and estimates that his restaurant serves 130,000 meals per year. At the proposed mandatory health-insurance rates, McCabe's operation would pay $168,000 in premiums. "That adds $1.29 to every meal we serve," complains McCabe. "It turns a $4.95 hamburger into a $6.25 hamburger, and I don't think we can assume people will be willing to pay $6.25 for a hamburger."

"I can tell you right now, there's no way I can raise $63,000 extra a year," says Bob Shaughnessy, who has owned and operated The Other Place Pub in Boylston, Massachusetts, for 10 years. Under the Massachusetts mandate, $63,000 is the amount Shaughnessy will owe when he multiplies the number of workers he employs by the $1,680 amount per employee that all Massachusetts business owners will be required to pay in annual health-insurance premiums. "If this goes into effect, I'll have to think seriously about selling out," says Shaughnessy, who would like to stay in business at least until his daughter finishes college.

The Massachusetts law and other proposals for mandated health insurance are variations on a theme: For each person employed, a business owner must pay a state-mandated amount in premiums to provide health insurance for full-time employees and their dependents. A recent California proposal, which was defeated in August, and two national proposals would also include part-time workers in the formula. Only the smallest businesses are exempted. In Massachusetts, any business with six or more employees must participate.

These proposals hit restaurants hard. By assessing employees a per-employee charge, mandated health insurance functions as a tax on employing people—a particularly deadly mandate for labor-intensive businesses such as restaurants. Adding to the injury is the fact that many restaurants are small businesses with low margins. In many cases, small restaurants cannot afford to offer health insurance because of its high cost. This high cost is further aggravated by the relatively high turnover rate for foodservice workers.

Although few would argue with the goal of mandated-health-insurance proposals—to make health care accessible to all—the funding methods are a source of ire to business owners who feel they are being singled out to pay for a broad societal problem.

Mitchell of California's Carl Karcher Enterprises sees the same problems with California proposals that are evident in the Massachusetts law. "If health insurance should be universal [available to all], then it should be paid for universally," he says, adding that singling out employers for taxation is unfair. Especially ill conceived, says Mitchell, was a provision of the most recent California proposal requiring every employee—even if already covered through other means—to be a participant. Many Carl's Jr. employees are teenagers covered by their parents' insurance or part-time workers covered by their spouses. Nevertheless, these already-insured workers and their employers would have had to contribute to the plan. The result? "A smaller paycheck," says Mitchell emphatically.

The industry response

Trade groups, including the National Restaurant Association, have come down squarely against government-mandated benefits of any kind, arguing forcefully that they limit freedom of choice for both benefits planners and employees. Foodservice company operators who already offer health-insurance plans assert that they would prefer to design benefits plans that could be customized to individual workers' needs.

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Most small restaurants and start-up operations not yet offering a plan hope to offer health insurance when the company becomes more profitable.

In a 1989 National Restaurant Association poll, most restaurateurs with annual sales of less than $500,000 who did not offer insurance said they did not provide a plan because premiums were too high.

However, a large majority of foodservice employers with sales of more than $500,000 per year do offer a program for health insurance; and at the highest annual sales levels, nearly all foodservice companies offer a plan. It appears that the high cost of health-insurance premiums and the small size of many restaurant operations are the main barriers to the offering of health-insurance plans. Consequently, forcing these businesses by law to offer a plan may not be economically feasible.

Why mandate health insurance?

While it is clear why restaurateurs are finding it difficult to support mandated-health-insurance programs that rely on employer funding, there is another side to the issue. Legislators are desperately struggling to fashion a solution to what many feel is becoming a national health-care crisis. Health-care costs are rising at an annual rate of more than 20 percent, sending treatment costs for serious illness out of the reach of many, if not most, Americans. Health insurance, consequently, becomes necessary if individuals are to hope to avoid the fear of

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Paul Moomaw is a communications specialist at the National Restaurant Association.

Bob Shaughnessy, owner of The Other Place Pub in Boylston, Massachusetts, will need to raise an additional $63,000 to cover health benefits.

financial devastation that could be caused by a single illness or accident.

Health-insurance prices, too, have skyrocketed to new heights in recent years as health-care providers pass along the high costs associated with new medical technology, new treatment methods and avoidance of charges of malpractice to insurance companies. This upward pressure on private health-insurance rates has led to political pressure for mandated health insurance for all. With government-funded insurance programs, such as Medicaid, already straining government funds, lawmakers have looked outside of general revenues to businesses to foot the bill for a "universal" health-care package.

A vision of the future

Like most who have analyzed the potential effects of mandated health insurance, McCabe in Massachusetts is certain that the increased costs for restaurateurs could not be absorbed by simply raising menu prices. Instead, he envisions small-time restaurateurs leaving the industry, while remaining establishments drastically alter their businesses to contend with the pressures of skyrocketing labor costs brought on by the mandate.

"It's an incentive to automate," says McCabe, visualizing a restaurant industry of the future in which restaurateurs purchase every contraption available to replace human labor, including automatic order-taking machines (already available for quickservice restaurants) and robotic pizza makers. "Your restaurant experience of the future may be like visiting an automated teller machine," he says. A restaurant visit in which food and service are provided by people, rather than machines, could become a special event available only to those who have saved up for weeks. Meanwhile, says McCabe, most everyday restaurants would adopt the "Automat" formula.

Indeed, some restaurant operators have already had to consider changes in response to the mandated-health-insurance proposals. "We would have to change our whole formula," says Ted Burke, co-owner of the Shadowbrook restaurant in Capitola, California, and president of the California Restaurant Association (CRA). To keep Shadowbrook profitable, says Burke, the restaurant would have to reduce its number of employees from 103 to 39 and adopt an upscale buffet format.

"It's not that hard to figure out," says Burke of calculating a mandate's effect on a restaurant. "Look at your records, deduct what health insurance would cost from the bottom line, and, for most restaurants, it would quickly turn from black to red." The problem, says Burke, is that profit per employee is low for restaurateurs, compared with that for doctors, lawyers or manufacturers.

And the forces behind such legislation are not going to abate soon. "Reality is reality," says Jo-Linda Thompson, who as CRA's senior director of government affairs and general counsel spends a large chunk of her time on health-care issues. Thompson describes a stressed and expensive California health-care system that is a microcosm, and perhaps predictor, of the crisis at the national level. "Nobody here in California likes the status quo," says Thompson. "Employers don't like the rising cost of health plans, and we all have the feeling that we may not be able to get quality health care if we really need it." Consequently, alternatives to the status quo are needed that don't include mandated benefits.

Alternatives recommended by operators

An alternative to mandated benefits that some foodservice operators have recommended is favorable tax treatment for employers who provide health benefits. A full tax deduction for small, unincorporated businesses that provide health insurance would encourage self-employed businesspeople to provide coverage for themselves and their employees. Similarly, a tax credit for health-insurance premiums would provide a significant incentive for start-up businesses and other unstable businesses that would be unlikely to benefit from a tax deduction.

Other barriers to offering health insurance are state laws requiring certain levels of coverage for any insurance plan offered. Elimination of these requirements would allow employers to offer less-expensive, no-frills packages that would provide coverage to employees at an earlier point in a business's growth cycle.

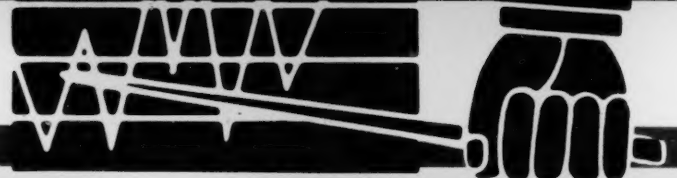
Finally, operators have recommended cost-containment measures to lower the cost of health insurance for all, and some have taken the initiative to participate on statewide panels dedicated to lowering the cost of health-insurance premiums through measures such as spending caps for various medical procedures, lids placed on malpractice claims, and the elimination of waste and fraud in government insurance programs.

More than just saying "no"

Although the foodservice industry has been under fire on a number of legislative fronts in recent years, mandated-health-insurance proposals and other health-care issues may represent the greatest threat yet to the livelihoods of business owners and workers. "This is probably the single biggest area of legislation we've had to face yet," says CRA President Ted Burke.

The underlying health-care crisis is unlikely to be resolved soon. Rather than merely adopting what she calls the "ostrich approach," CRA's Jo-Linda Thompson urges restaurateurs to become engaged in the dialogue surrounding mandated health insurance. "I think we all believe that the American Dream should not be cut off by proposals such as this," says Thompson. However, for restaurateurs to become part of a workable solution to America's health-care crisis it will take more than just saying "no."

by Michael C. Thomas and Tempe S. Thomas



GETTING COMMITMENT FROM YOUR EMPLOYEES

Commitment begins the moment a manager and a prospective employee shake hands. And it either grows or diminishes through daily actions and interactions.

Getting the right match

A good relationship between managers and new employees begins in the hiring process. In employment interviews many well-meaning managers talk about everything but working together. This is a mistake. It takes more than ability and good work habits to create effective working relationships and commitment between you and your employees. During the employment interview, ask applicants how they like to be managed and what kind of supervisory style works best for them.

These questions will open the door to honest and helpful discussion about whether you and the applicant would work well together. If you are most comfortable with independent workers and an applicant likes frequent detailed instructions and feedback, you both need to know it and to talk about how this will affect your work relationship. Exploring these issues tells applicants that you are committed to good relationships with employees. Getting the answers lets you know whether you have a fit or what you will have to work on to make the fit better.

Applicants need to know who's the boss before they can make a commitment to working with that person. If applicants misunderstand the reporting structure, they will feel powerless and resentful.

Avoid assumptions and disappointments by reviewing your organization chart with applicants. If your company does not have a formal organization chart, sketch it out as you and the applicant discuss how your company is organized. If your company is growing so rapidly that your structure is constantly changing, discuss the possibilities and the flexibility required to work in such an environment. However you choose to cover it, be sure that your new employees come to work clearly understanding the following:

☐ To whom they report (Who will assign and evaluate their work?)

☐ To whom their boss reports (Will their boss's manager sometimes assign their work?)

☐ Who reports to them

☐ Whom they support (people and/or departments) and what "support" means and

☐ Who supports them (people and/or departments) and what that "support" means.

Specific communication with applicants about their potential place in the structure of your company creates trust and commitment. New employees must know where they fit in order to behave appropriately and work effectively.

A second important ingredient in the perfect match is mutual commitment to the basic terms of employment: pay, benefits, working conditions, job title and job content. This is the employment contract, and it exists whether the terms are sealed with a handshake or with a legal document.

The third key element of the perfect match is a commitment by their co-workers to support new employees.

New employees want to be accepted and need to be supported by their co-workers. Anyone who can remember starting a new job knows the countless ways in which new employees depend on their co-workers to help with everything from finding the restroom to avoiding the hidden landmines of office politics. One of the kindest things that caring managers can do for new employees is to pave the way for members of the work group to befriend and assist them.

Training sustains initial commitment

Once the foundation has been laid for a committed relationship, training is the most powerful tool for sustaining that commitment. How managers carry out training and development will in large part determine whether their new employees' initial commitment will be sustained and grow to higher levels.

As trainees' skills and effectiveness grow, so will their productivity, their personal satisfaction and their commitment to their work organization. The more productivity employees demonstrate on the job, the more managers are likely to express their caring and commitment to the employees, and so mutual commitment grows.

Although managers have much to gain from speedy and effective operations training, it rarely goes as quickly or as smoothly as they wish. There are five basic steps you can take to create effective operations training and development that will simultaneously increase employee commitment.

1. *Involve employees in designing the training process.* If employees are involved, they will feel that both they and the training process are important to their managers, and they will experience their managers and other employees as caring for them.

Although your new employees may not know exactly *what* they are to learn, they can tell you and their trainer *how* they learn most comfortably and quickly. People learn in different ways. Some easily absorb and digest written materials; others learn more easily by observation and hands-on training. Committed managers plan the training jointly with employees and trainers to accommodate the trainees' preferred learning approach. Most people need a combination of reference material, demonstrations, practice and feedback.

The best results occur when trainers follow a structured plan. The training plan should include the following elements:

☐ content (what is to be learned)

☐ process (how they will be instructed)

☐ measurable performance goals (how successful completion of the training will be indicated)

☐ sequence (the order of training)

☐ schedule (the timing and length of each segment of training) and

☐ delegation (who will teach what).

2. *Systematically monitor the training results and share your impressions.* Although managers frequently delegate operations training, they remain responsible for managing the training and assuring that the intended results are achieved. Delegation without follow-up is abdication. It is easy to monitor training when you have done the kind of planning suggested above. Never wait until the end of training to review the training process. Periodically review progress against the training schedule and goals. You can then help trainees (and trainers) as needed and praise positive results.

3. *Map the links between the trainees' goals, the work unit's goals, the department's goals and the company's goals.* Before they can become fully effective and committed employees, trainees must be able to accurately see themselves and their roles in the "big picture." By mapping links, managers can show how employee accomplishments contribute to the company's purposes or vision for employees, customers, owners and the larger community.

4. *Expect trainees to develop self-discipline and self-responsibility (rather than passive dependence) and help them learn it.* Clearly express the expectation at the outset of the training that self-responsibility and independence are the ultimate goals of training. Explain to your trainees how they can demonstrate self-responsibility during their "basic training" period. Ideally, their learning should consist of general principles of problem-solving and experience in job or task-specific procedures and techniques. Moreover, to ensure successful growth, employees must be ready with the competencies to handle increased responsibilities. That is why training should be an ongoing function.

Managers should set the example of self-responsibility for personal growth and professional development by developing themselves and by requiring their employees to develop themselves and the people they supervise. Employees can develop themselves by emulating their managers and by learning from their co-workers.

5. *Communicate daily.* Long-term commitment grows from daily communication between managers and employees. By staying in touch, managers keep abreast of employee goals, feelings and progress. They can also share information regarding plans and possibilities for the company's growth, involve employees in implementing any changes and communicate the benefits of such growth to employees. If managers do this, employees will believe in their managers' commitment and work for future rewards with continued high productivity.

In conclusion, the degree of commitment and productivity is a direct result of your employees' belief that you care about them (as demonstrated by your actions) and their development opportunities. ❘

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MOTIVATING EMPLOYEES

There is no mystery about why people work: It meets the basic need for income. But what is it that inspires employees to work hard, to excel at what they do, thereby advancing themselves and the restaurant they work for? Is it the promise of making more money? Superb employee benefits? Feeling that they have a stake in how the business performs? Or is it as simple as wanting to meet the management's consistently high expectations of its employees? The answer is "yes" to all of the above or any combination.

Four essentials

The restaurants, large and small, featured in this article have all found a specific key to motivating their employees to do better, yet their successful approaches are as varied as the restaurant business itself. There are a few basics, however, that apply to any business striving to realize the full potential of its workforce.

Gen LaGreca, president of Hospitality Industry Training, based in Golden, Colorado, outlines four essentials for establishing a work environment that motivates all employees to do the best they can:

Respect: "Treating all employees with respect," says LaGreca, "sets the terms for reciprocal behavior. That includes basic courtesies like 'please' and 'thank you,' giving employees your full attention when speaking with them and, when necessary, criticizing privately and fairly. Respect breeds respect, and a good manager sets that tone."

Feedback: "Employees are motivated by the kinds of things the manager checks on, but," LaGreca admonishes, "a good manager has to follow up on expectations and suggestions to get results. Any employee knows that if something is really important to the manager, it will be checked." To simply say that certain things are critical to performance without consistent follow-up will undermine the entire process.

Rewards: Praise, certain incentive contests and special awards for performance can be very helpful motivating tools. However, LaGreca cautions against contests or awards focusing on only one winner: "The individual has to be the base. When you have only one winner or a few winners in a contest, it just doesn't work. It acts as a disincentive to the majority of employees, who know they don't stand

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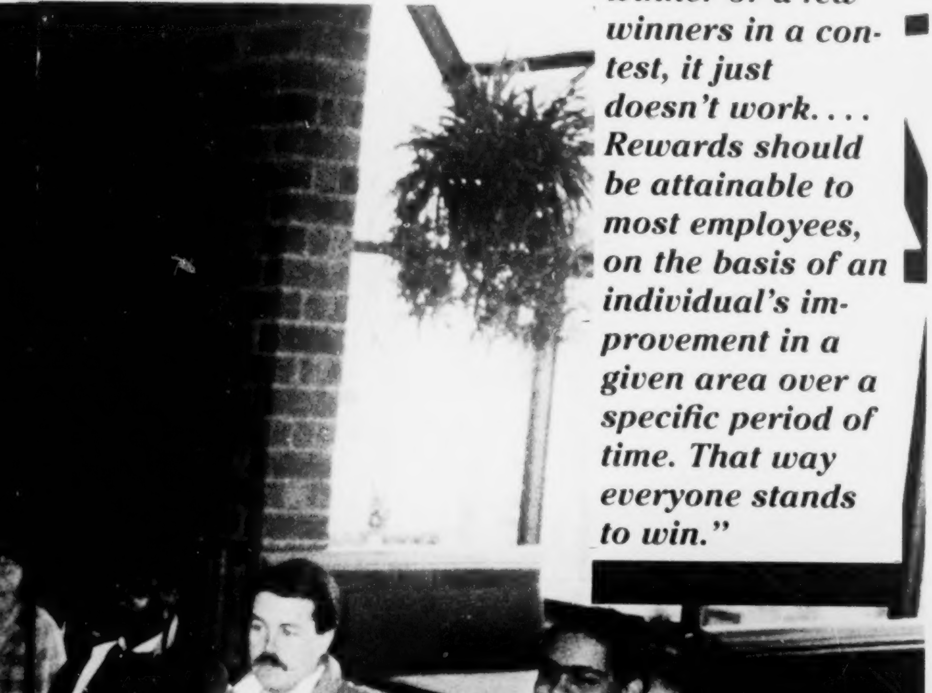
Joan Herlong is a freelance writer in Greenville, South Carolina by Joan Herlong

> ***"The individual has to be the base. When you have only one winner or a few winners in a contest, it just doesn't work. . . . Rewards should be attainable to most employees, on the basis of an individual's improvement in a given area over a specific period of time. That way everyone stands to win."***



Employees at McGuffey's restaurants participate in monthly "associate board" meetings with upper management. Representatives—including cooks, waiters and bartenders from each location—can feel free to discuss problems and make suggestions for improvement.

a chance at winning. Rewards should be attainable to most employees, on the basis of an individual's improvement in a given area over a specific period of time. That way everyone stands to win."

Motivating by example: An effective manager is essential to inspiring employees to do a consistently good job. LaGreca sees restaurant managers as role models for establishing and generating enthusiasm. If they have a "want-to-come-to-work" attitude, they're bound to transmit that enthusiasm to their employees. Managers also set the tone for dealing with guests. They can't expect the waitstaff to treat guests with respect if they don't do it at all times. That includes avoiding snide remarks like "Boy, Mr. Smith seems to think he owns that table. When is he going to leave?" A cynical attitude can also be contagious. "To be an effective role model for top performance," continues LaGreca, "a manager has to display a consistent, genuine attitude toward his work and to the customers."

Each of the following restaurants applies some aspect of LaGreca's guidelines with strong results.

Respect

Michael Hurst, the very hands-on owner of the 15th Street Fisheries restaurant in Fort Lauderdale, Florida, believes the best way to motivate employees is to "orient to people, not to profit. When the focus is on profit you've got a lot of paperwork, and the management is always on the defensive," says Hurst.

Hurst focuses on his employees as people in order to help them fulfill their potential while they work for him. Focusing on good work—not long-term work—is Hurst's method for motivating employees. "It starts when you hire people," Hurst maintains. "Part-timers are critical in this business—but they always have something else that's more important than the job. So you have to be flexible and sensitive to their needs. But while they're here, they're glad to be here, because the job is helping them achieve their outside goal."

As an example, Hurst talks about an employee who joined his staff to help pay off some of her husband's medical bills: "I knew when she started that this woman was essentially giving me two years' notice. When you understand and support an employee's personal goals, the person is delighted. I don't ask for more than people are able to give. The job then gives them more than just money; it helps them succeed in their goal."

The reciprocity of respect is clearly at work in Hurst's approach to his employees. Former assistant manager Karen Frenzel says Hurst "encourages us to meet our outside goals, such as school, and he really tries to accommodate our personal schedules. But by the same token, I don't know of anyone who wouldn't gladly change his or her schedule to help him out if he needed it. It's just returning the favor."

Taking good care of staff

Keith Dunn, president, CEO and co-owner of McGuffey's Restaurant, Inc., of Asheville, Hendersonville, Hickory, and Charlotte, North Carolina; Greenville, South Carolina; and Knoxville,

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REWARDS

Shine the spotlight on those employees who make a difference in your restaurant's success! Let them know they make a difference—and that you appreciate them.

You can shine the spotlight without hefty bonuses, "thank you" trips and expensive gifts. Here's a summary of time-tested, low-cost employee-recognition techniques to get you started:

☐ **Bulletin-board announcements.** Recognize the accomplishments of an employee in front of his or her peers, and you'll build a lasting sense of pride and loyalty. A bulletin-board announcement, perhaps coupled with a photograph of the employee, is one good way.

☐ **Memos for the file.** Do you want to thank an employee for a job well done? Write a letter of appreciation and let your employee know that you're placing a copy in his or her personnel file.

☐ **Newspaper and magazine releases.** Many newspapers and magazines will publish short news briefs about your employees. Suburban weeklies, business publications and industrial/trade magazines are usually eager for this type of information. Don't overlook the power of a two or three-line write-up in the paper; most employees have never been mentioned in the press and will cherish even the smallest mention. All it takes is a one-page news release, stating the employee's name and the facts surrounding his or her accomplishments.

☐ **Symbolic incentives.** Do you have a stuffed animal that serves as the company mascot? A traveling trophy? A humorous wall display? Let your mascot or display serve as a symbolic token of appreciation for a job well done. Circulate it to an employee who has performed well for a limited period of time.

☐ **Professional education.** As a token of gratitude for exceptional performance, consider sending a valued employee to a professional seminar or training course. You'll recognize your employee's accomplishments and provide him or her with skills that will enhance future performance.

TICKET
TICKET
3

Max-Karl Winkler

☐ **Ambassador service.** If an employee has served you and your company well, let the person serve as your "personal ambassador" from time to time. He or she can attend ceremonial functions in your stead, speak to gatherings of employees and, perhaps, even represent your company at professional or trade shows.

☐ **Simple gifts.** Small gifts—such as coffee mugs and company sweatshirts—are deeply appreciated by many employees. Buy imprinted goods in quantity; they can double as public-relations giveaways.

☐ **Plaques.** Although plaques are one of the most traditional ways of recognizing outstanding employee performance, they're still effective—especially when they're located in a prominent place.

☐ **End-of-the-month recognition.** Consider recognizing one outstanding employee at the end of every month or every quarter. You can turn this occasion into an event by hosting a coffee hour for the employee to be recognized or by adding his or her name to a "featured employee" display.

☐ **Employee coaches.** Let your top employees act as mentors and coaches to new employees—or even to established employees seeking professional growth. The honor will not go unnoticed, and the coaching experience will give your top performers new skills.

☐ **Time away.** Do your outstanding employees have a subject they would like to learn more about or a special work-related project they would like to pursue? Give your really good people time away from their routine duties and let them pursue these special interests. Well-rounded, appreciative employees will be the result.

☐ **Luncheon recognitions.** Once a quarter, schedule a simple "thank you" luncheon at which you recognize top performers. Make sure your top management team attends.

☐ **Gifts for the family.** To recognize a good employee, recognize his or her family! Offer a dinner out, a trip to an area amusement park or some other simple token of appreciation the whole family can enjoy.

☐ **Advertisements.** While ads can be a bit on the costly side, don't hestitate to honor your people in paid newspaper or trade ads. Or let your present advertising do double duty: Add an employee-recognition tag line to your advertisements.

Use these suggestions to begin thinking about ways you can recognize the people who make a difference in your firm. And remember: You don't have to use *all* of these techniques to build an effective recognition program. Just as a single employee can make a unique contribution to your business, a single form of recognition can serve as a unique honor to the employee.

—Richard G. Ensman, Jr.

Tennessee, happened upon his approach to employee motivation through trial and error, but he's definitely arrived at a formula that works for him. "Listen to your people, respond to their needs," advises Dunn. "They take care of customers. If you are taking care of your employees, sales take care of themselves."

The two main ways that McGuffey's "takes care" of its employees are through employee input and through employee benefits. Dunn formed an "associate board" to foster open communication between upper management and employees. Once each month, two servers, two cooks and one bartender elected from each restaurant gather with Dunn and his partner to discuss any problems or suggested improvements. The managers have their own "focus group," which meets with the owners each month. It is made up of two managers elected from every establishment.

Dunn is enthused over the feedback the two monthly meetings provide. "We talk about whatever they have on their minds, whether it's dress codes, gratuities or job frustration. It took us two years, but now we've won our employees over. We've convinced them that upper

THE MAGIC OF PRAISE

Praise can work magic in the workplace. It can reinforce positive workplace attitudes and behavior, improve productivity and, ultimately, win the hearts and minds of just about everyone you work with—colleagues, employees, even suppliers.

Authentic praise—praise that's compatible with a manager's style—can be effective whether it's used to put closure on key accomplishments or to pull members of a team toward a distant, but compelling, goal.

When can you most effectively use praise, and how can praise help you achieve the goals important to you and your restaurant? These suggestions may be a starting point.

☐ **Use praise to improve morale.** Is an employee "down in the dumps"? Have your people been working especially hard lately? A few well-placed compliments can brighten the tenor of your establishment.

☐ **Use praise to call attention to goals.** You can speak about key company goals and objectives time and time again, to no avail. But until those goals become important to your employees, they won't become the center of attention each day. So when you notice an employee taking action that will help you achieve an important goal—action that will serve as an example for others—it's time for praise.

☐ **Use praise to reinforce behavior.** If you're trying to instill positive work behavior in your employees, always note "model behavior" when it occurs. And don't be afraid to hold model behavior up for public praise; in doing so, you'll set the standards for the entire workplace.

☐ **Use praise to shape behavior.** If you're trying to orient a new employee or if you're trying to help an employee overcome a problem, there's nothing better than praising him or her when something is done right. Praise an employee once for good performance, and he or she will be apt to perform well in the future.

☐ **Use praise as a tool of oversight.** If you'd like your employees to know that you're interested in them and that you truly want to know what's happening in your restaurant, don't hesitate to offer praise as you walk casually through the restaurant or back of the house. Candid, unplanned praise lets your people know that you're interested and watching—and that you care about what they do.

☐ **Use praise as a tool of recognition.** No doubt you encounter employees who perform admirably—and exemplify the qualities your company stands for. Public praise and recognition hold accomplishments and contributions up for all to see.

☐ **Use praise to build leadership.** You can build confidence in prospective leaders by affirming their latent leadership qualities—and grooming them through praise. Build the self-esteem of future leaders every chance you get, and you'll help build your restaurant's future.

☐ **Use praise as you document employee performance.** Many managers only document employee performance when something goes wrong. Next time you notice an employee doing something exceptionally well, compose a note for the personnel file or for an upcoming employee appraisal.

☐ **Use praise to add humor to the workplace.** Some employee achievements don't call for formal praise but for informal—even humorous—recognition. An employee who consistently spreads cheer around your establishment, bakes cakes for birthdays or adds delight and levity to staff meetings might be praised with a humorous or offbeat memento.

☐ **Use praise as a tool of effective public relations.** If you have a model employee or a high achiever on your staff, don't limit that news to your own company ranks. Let the entire community know! Issue a news release or make a public award. Ask your local business papers and newspaper columnists to pick up the noteworthy information and share it with the rest of the world.

☐ **Use praise as a "thank you" tool.** Perhaps there's no way to thank people for what they do as deeply as you'd like. But a sincere, well-planned personal "thank you" can be full of meaning for a dedicated employee or colleague—and might even produce more appreciation than a routine bonus or an enhanced fringe benefit.

—Richard G. Ensman, Jr

management really cares about them," he says.

Corporate executives also interact with other employees in "see you to the top" classes, which focus on employees developing personal skills, such as goal setting, having a positive attitude and building a healthy self-image. Upon completing the course, hourly employees receive a 50-cent raise, which remains in effect as long as employees take yearly updates.

Dunn also demonstrates caring by offering employee benefits. After six months with McGuffey's, all full-time employees (95 percent of the staff) are eligible for group life insurance, health and dental coverage and membership in the employees' credit union. After one year, full-timers also enjoy profit-sharing privileges and one week of paid vacation.

All McGuffey's managers are evaluated every three months, and their quarterly bonuses—up to 20 percent of base pay—tie in to performance. All other employees are evaluated bimonthly, with improved pay and scheduling that depends on their progress.

Dunn's approach works. Turnover now stands at less than 48 percent overall. Dunn says, "I interview about three managers a week for no current openings, just because they've heard that we treat people decently."

Motivating by example

Joe Katin has been with the International House of Pancakes (IHOP) for 24 of the company's 30 years in business. He owns 10 IHOP franchises in Texas. His approach to employee motivation is to motivate through his own example—but it's no easy task to keep up with him!

There isn't an IHOP job that Katin has not done, or does not continue to do, since he bought his first IHOP franchise 14 years ago. Says Katin, "I love to work. It's actually relaxing for me to work in an IHOP. I cook both days every weekend in one of my IHOP stores, especially ones that might be having some problems—and there's a lot I can teach my cooks, too, since I was an IHOP cook myself for four years. I obviously don't expect more from my employees than I can do myself. I don't hesitate to tell a busboy how clean I expect the washrooms to be, because I clean them all the time."

The key motivator for Katin is his own love for his work, and he makes no bones about his employees' opportunity to profit from his example: "I do IHOP well; it just comes naturally, like brushing your teeth. You should stick with something you like and do well. If you stick with me, you'll make money with me."

If pure love of work isn't enough, each of Katin's 10 store managers also earns 30 percent of their restaurant's profits. "The harder they work, the more they make," explains Katin. Whenever Katin opens a new IHOP franchise, his managers get a 3 percent interest in the new store's profits. "This gives them an interest in ensuring that all the stores are a success," Katin continues. "The managers all pitch in to help make it go at the new place."

Katin believes that the best employee motivator is the prospect of making more money. "My personal motivation has always been money," says Katin, "and I think that's true of anybody."

But money is not everything with Katin. As consultant LaGreca advises, Katin also motivates his employees through promotion rewards and a strong belief in the importance of a good manager. "I reward good people. I hire every manager from within, so that I know their track records. When I hire, I make it clear that if you do a good job, you'll get your 'own' restaurant, become a part of our team."

Katin takes pains to cultivate his own managers. "The first key to a restaurant's success is location, but the second key is management," he says. "Every manager is part of my management family. I talk to all my guys daily—at least 20 minutes to an hour. We never lose sight of one another. I'm a perfectionist, and they all know that. You've got to be motivated to do well yourself first, or you can't motivate anybody else. The minute you slack off, the people under you see that and they do it, too. All my people know what they're expected to do. The ones that don't just aren't there." ┘

In recent years there has been a push to place financial information in the hands of nonmanagement employees to increase their commitment to financial goals. This is a laudable activity, but employees need and desire a much more basic level of feedback on their performance. When they look at the big picture without some handle related to their own job, hourly employees are often overwhelmed and lost in the numbers.

Average check has been used in evaluating the performance of food servers. Hoteliers have considered rooms cleaned per eight-hour shift a reasonable way to evaluate performance for housekeepers. But what measures are used to give feedback to the rest of the staff? Too many employees have no way to quantify what they are accomplishing, and they receive even less guidance on how to evaluate the quality of their work.

Employees usually know what counts in their work. But they feel frustrated because management fails to recognize the measures of efficiency and effectiveness in their jobs. Since no feedback is given, too many employees ignore the known performance measures and work below their potential.

Employees can devise rating forms

If asked, employees, working with other employees who perform the same job, can devise simple checklists or rating forms for their particular jobs, identifying the five most important indicators of quantity and the five most important indicators of quality. Each of the 10 categories of evaluation can then be assigned a possible ideal score of 10 points—leading to an overall potential of 100 percent for a day's work. (See exhibit.)

Managers, of course, can contribute to the development of these forms, but the employees must accept the final results. Otherwise, the feedback system breaks down before it gets started. The final form can be

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FEEDBACK IMPROVES PERFORMANCE

Employees need a measure of daily performance and a basis for relating to the big picture.

by Lewis C. Forrest, Jr.

EMPLOYEE FEEDBACK CARD

NAME ______________________________

DATE: ____________ **SCORE (0-10)** ________	SUN	MON	TUE	WED	THU	FRI	SAT
1. I reported for work on time with a positive attitude							
2. I was friendly to all guests and cooperated with other employees							
3. I checked every item I served to ensure quality standards							
4. I maintained a clean and organized station throughout my shift							
5. I closed my station properly leaving no unfinished work							
6. I sold a cocktail to at least 70 percent of the adult guests I served							
7. I suggested at least one additional food item for each guest I served							
8. I sold a bottle of wine at more than half of the tables I served							
9. I sold desserts to more than half of the guests I served							
10. I resolved all guest complaints brought to my attention							
Total score							
INITIALS							

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printed with space for seven days of ratings to correspond to the workweek and can be the size of a time card. A new form can be provided with a new time card each week and can be kept in the time-card rack.

The focus of the form should always be on employee effectiveness—those behaviors that the employee controls that bring about the desired results. At the end of each day, before punching out to go home, employees should be asked to evaluate their performance for that day and to initial the rating form. This gives weight to the ratings because, in essence, they are signing their work.

Well-trained employees should score high on the rating system, but few employees will mark themselves 10 in all categories every day. Even the ones who tend to give themselves high scores will drop back a point or two at times. Peer pressure helps to keep the system honest. Extremely low scores should be investigated to determine the cause: additional training, coaching or counseling may be required.

Managers must be involved

For the system to be effective, managers have to read these evaluations and give feedback based on the results. Employees need the recognition that comes from objective feedback, even when the feedback comes from a self-scored form. To further maintain the integrity of the data in such a feedback system, managers should use the same forms used by the employees and should spot-check performance. Then the manager should compare his or her observations with the ratings by the employee in a feedback session.

Managers should also record the daily scores of each employee on a master sheet for each month. Then at monthly meetings, this information, along with data from financial statements, can be reviewed to show how individual performance related to financial results.

Feedback is essential

To recap, feedback is essential to the development of healthy employees who love their jobs and feel good about their personal contribution. Too often, when asked how the day went at work, employees respond, "I don't know . . . , okay I guess." Wouldn't it be great to have a staff who took pride in smiling and saying, "Great! I gave myself 98 today. Not bad even if I do say so myself!" ❑

GRI

by Jacquelyn Denalli

When Joan's* husband died after a brief illness, her friends and co-workers were impressed with how well she handled the situation. She bounced back quickly, appearing philosophical about her loss and willing to get on with her own life. But eight months after she became a widow, when a man came into the restaurant where Joan worked and ordered prime rib well done with extra horseradish sauce, she fell apart. It was the way her husband has always preferred his prime rib. She walked away from the table before the customer could finish placing his order and barely made it into the kitchen before she burst into tears.

Vince* had been cooking in the same place for almost 10 years. It was a cozy cafe where he was able to get to know his customers. He had a regular following who appreciated his innovative menus and personal attention. But Vince began changing. He became forgetful and surly, the quality of his food preparation dropped and soon even his most loyal customers were complaining. Yet Vince was too embarrassed to talk about what was wrong. He didn't want anyone to know his teenage son was addicted to crack cocaine.

Grief carries over

Although Joan and Vince were experiencing completely different circumstances, they had one thing in common: They were dealing with grief from a personal tragedy. It is not realistic to expect employees to be able to leave the effects of such problems at home. Death, divorce, serious illnesses or other crises frequently carry over into the workplace and can affect on-the-job behavior. Even the loss of a pet can have an effect.

Still, the most compassionate supervisors may find themselves at a loss when faced with a grieving employee. While most crises cannot be foreseen, the stress of difficult situations can be eased by establishing procedures before they are needed. There is a certain amount of comfort when both the employer and employee know what to expect.

"It's hard to legislate emotions and feelings," notes Mimi Hull, Ph.D., of Hull-Levine and Associates, a human resources development firm in Maitland, Florida. Consequently, many companies limit their written policies to guidelines on the amount of time off an employee may take when there is a death in the family. For other situations, unwritten policies may vary depending on the specific circumstances and the employee involved.

When employees experience a very traumatic, stressful situation, it is important to offer empathy and understanding and to make sure they know that their jobs will be waiting when they are ready to come back to work. That support is critical, especially when an employee has lost a loved one. Hull says, "People in such situations are in enough turmoil. When they know what to expect at work, that level of expectation can help them deal with the loss. People have been known not to take time off because they are afraid they are going to lose their jobs."

Notifying fellow employees of a death in a co-worker's family is a delicate task. Hull suggests taking aside key associates of the person affected and letting them know first, because associates are able to provide both work-related and personal support. The grapevine that exists in most restaurants and offices will usually take over from there; but if it's appropriate, you can distribute a simple memo to inform the rest of the staff.

Most companies arrange for flowers to be sent and will frequently designate an official representative to attend the funeral. Hull cautions against allowing co-workers to develop the impression that there is nothing else to be done. "People at work feel a sense of helplessness, and they want to do something," she says. "The employer can get people involved in what is being done to help the employee and the family."

John Dowd, general manager of the Park Plaza Gardens in Winter Park, Florida, agrees. "I talk to the person to find out if there's anything we can do as people—rather than as a company, to make sure there isn't anything we have not thought of. Each case is different. You try to find out what each person's needs are."

Need for help continues

The need for help does not end when the funeral is over. "There may be some inconsistencies in the employee's work for as much as a year afterward," Hull says. "Recognize that people experiencing a loss may initially bury themselves in their work. They may have a tremendous output; then a few months later there may be a sudden decrease in production."

Grief can be especially hard to handle for employees who work with the public.

Jacquelyn Denalli is a freelance writer in Orlando, Florida

*Not their real names

IEF

IN THE WORKPLACE

How to help when an employee suffers a personal tragedy.

Before taking any disciplinary steps, remember the productivity level prior to the loss.

Grief can be especially hard to handle for employees who work with the public. Hull says it's difficult to predict what might trigger a grief-related reaction. For example, a server whose mother recently passed away may find working on Mother's Day especially traumatic. "Ask the server if he or she wants to work on that day," Hull advises. "Some people will say yes, because they feel that if they're busy and dealing with people, they'll have less time to dwell on their feelings. Others in the same situation may not be able to stand being around happy people on a holiday."

But it's not just formal holidays that can cause challenges for both the grieving worker and management. An employee may react if a customer resembles a deceased loved one, or a worker simply may not function well on dates that hold personal significance. A server who recently lost custody of his or her children may find it difficult to wait on a family celebrating a youngster's birthday.

Recently widowed or divorced employees with children at home may have child-care problems added to their trauma. Middle-aged employees may be doubly burdened with teenagers and elderly parents who need care and attention.

Performance problems may prompt a grieving employee to ask for a demotion to a job that is easier to handle or to consider leaving the company altogether; but this is not the time to make such decisions. Hull says, "Employers should encourage the person with the loss not to make any other major changes in their lives for at least a year."

Companies are involved

More and more companies are choosing to get involved when an employee's performance suffers because of personal problems. There is a practical side to this humanistic attitude: The expense of replacing a trained, experienced employee is usually greater than the expense of helping that person work though a difficult situation. The cost becomes even more apparent in an industry suffering from a labor shortage.

When productivity begins to slip, Hull suggests documenting behavior and dealing with specifics rather than generalities. For example, an employee who suddenly develops a pattern of chronic tardiness should be shown a list of the times and dates when he or she arrived late, rather than be confronted with the statement, "You've been late to work too often." In private, offer the worker the opportunity to discuss problems and share any rumors circulating about his or her personal life. Then deal with the facts and offer as many options as possible, including counseling.

"In an employee-employer relationship, it's important to have total communication and the ability to sit down and talk," says Dowd. "Make sure that when somebody does have a problem, you deal with it immediately. And make sure your people know you are willing to talk with them whenever they have a problem. That way, things don't get out of control before you handle them."

When Dowd notices a negative change in behavior or attitude, his first step is a nonthreatening conversation. "I try to find out if something has happened in their lives that is causing problems; then I discuss the situation with them. Helping people deal with their problems is one of the most important things a manager can do. It's also important to let them know you're there to support them rather than to jump on them."

Although he genuinely cares about the welfare of all of his employees, Dowd understands that compassion can only be carried so far. "After the initial conversation, we set up a plan for things to improve. We schedule further discussions at short intervals to monitor the individual's progress. But if things don't improve, you have to take a businesslike approach and let people know that if they don't change, they may be terminated."

When appropriate, Dowd encourages troubled workers to take time off. "I suggest vacation if they have time coming," he says. "If they don't have vacation time, the situation can sometimes be covered with sick pay. We had one instance where a server couldn't wait on tables for several reasons. So we found work that was not with customers for that person to do temporarily."

If you do offer a temporary assignment, Hull advises setting a firm time limit. "Don't say, 'You can do this until you get your problems worked out.' Instead say, 'You can do this for the next four weeks.' " Remember, too, that kitchens can be dangerous places. "You may want to offer a host or server the opportunity to work away from the public for a while, but a distracted, inattentive worker can be a serious liability in the kitchen. Make sure your decisions are guided by safety considerations."

Supervisors in companies with employee assistance programs (EAPs) should refer troubled staffers to those programs for counseling. Some chambers of commerce and other professional organizations have developed EAPs for their members. If you do not have access to an EAP, you may want to consider subsidizing the cost of counseling, at least on a short-term basis.

Stress need not be terminal

"Invest in the employee, and tell him or her what you are doing," Hull says. "Stress does not have to be a terminal illness." This type of support gives the employee an increased sense of self-worth that will help him or her deal with the situation.

"Perhaps the nature of the tragedy cannot be changed," Hull observes, "but one's ability to cope with it can be strengthened." ❑

by Dorothy Dee

MANAGER/PARTNER PROGRAMS

From North to South and East to West, restaurateurs are giving away the one thing no one ever thought they would—a piece of the business!

Single-unit independents, small multi-unit organizations and large chains are opening up their ownership ranks to key employees (chefs, front-of-the-house managers and even personnel, marketing and finance executives) through manager/partner programs.

Richard Melman, president of Lettuce Entertain You Enterprises, Inc. in Chicago, Illinois, started in the restaurant business in 1971 with a partner. Today he has approximately 23 managing partners in his growing organization, which now boasts 28 restaurants, with three more under construction. Melman says, "My goal has never been to be the richest or the biggest, but I have always wanted to do it right and to be the best; and I have found myself able to do this when I took others in and shared the responsibility and the reward."

A few years ago Robert Bell and Michael Franks, co-partners in Michael & Robert's Melange Inc., an umbrella organization that includes Fino's, a Mediterranean bistro in Torrance; Misto Cafe & Bakery in Torrance; Chez Melange, a brasserie in Redondo Beach; and Chez Allez, a gourmet market in Redondo Beach, decided the key to expansion and greater personal freedom lay in offering a few key employees a piece of ownership in their restaurants.

Today both the chef and front-of-the-house manager in two of their restaurants—Fino's and Chez Melange—own part of the business. A similar deal is envisioned for a third restaurant. Bell admits, "This is the only way we can see ourselves expanding to four, five or even six restaurants."

Au Bon Pain, an 80-unit French bakery cafe chain based in Boston, Massachusetts, has received considerable attention for its innovative manager/partner program.

And at Shells Restaurants, a 25-store chain headquartered in Tampa, Florida, and operating in Florida, Georgia and North Carolina, general managers are partners and can own up to 10 percent of a restaurant.

The pros

These and other restaurants have implemented manager/partner programs because they reduce manager turnover, cut down on retraining costs and improve morale. A manager/partner program often improves the quality of an operation because the manager gets a vested interest in the business. Optimally, it also frees up the owner's time to pursue other avenues of interest, including expansion. And, undoubtedly, the presence of a manager/partner program attracts prospective employees to the organization.

Melman believes the presence of a manager/partner program has drawn talented people to his organization. "I know we have been successful because we have allowed partners in, and that is why a lot of good people come to us." Lettuce Entertain You Vice President of Human Resources Loret Carbone says that the company's turnover rate for managers is 19 percent, although the turnover rate for hourly workers, including summer employees, is 89 percent.

The cons

Still, manager/partner programs are not for everyone. National Restaurant Association Director Thomas Kershaw, owner of the Hampshire House Restaurant and the Bull and Finch Pub in Boston, Massachusetts, has embarked on manager/partner programs several times in the course of his career. He cautions that they are not always the motivator owners hope them to be and can be costly mistakes when personnel changes are required. "Someone used to being an employee and getting a paycheck and taking direction cannot always be as responsible as a partner needs to be," Kershaw said. "Owners must be willing to go without a paycheck, and these new partners may not be willing to do this. They still may want an annual review and an increase in salary."

The structure

There isn't any universal arrangement for manager/partner programs; they are tailored to meet the needs of the company, its owners and the newly made partners. Their structure more likely than not reflects the personal style of the owner. Variables include whether the program is open to everyone in a certain job class, whether admittance into the program is volun-

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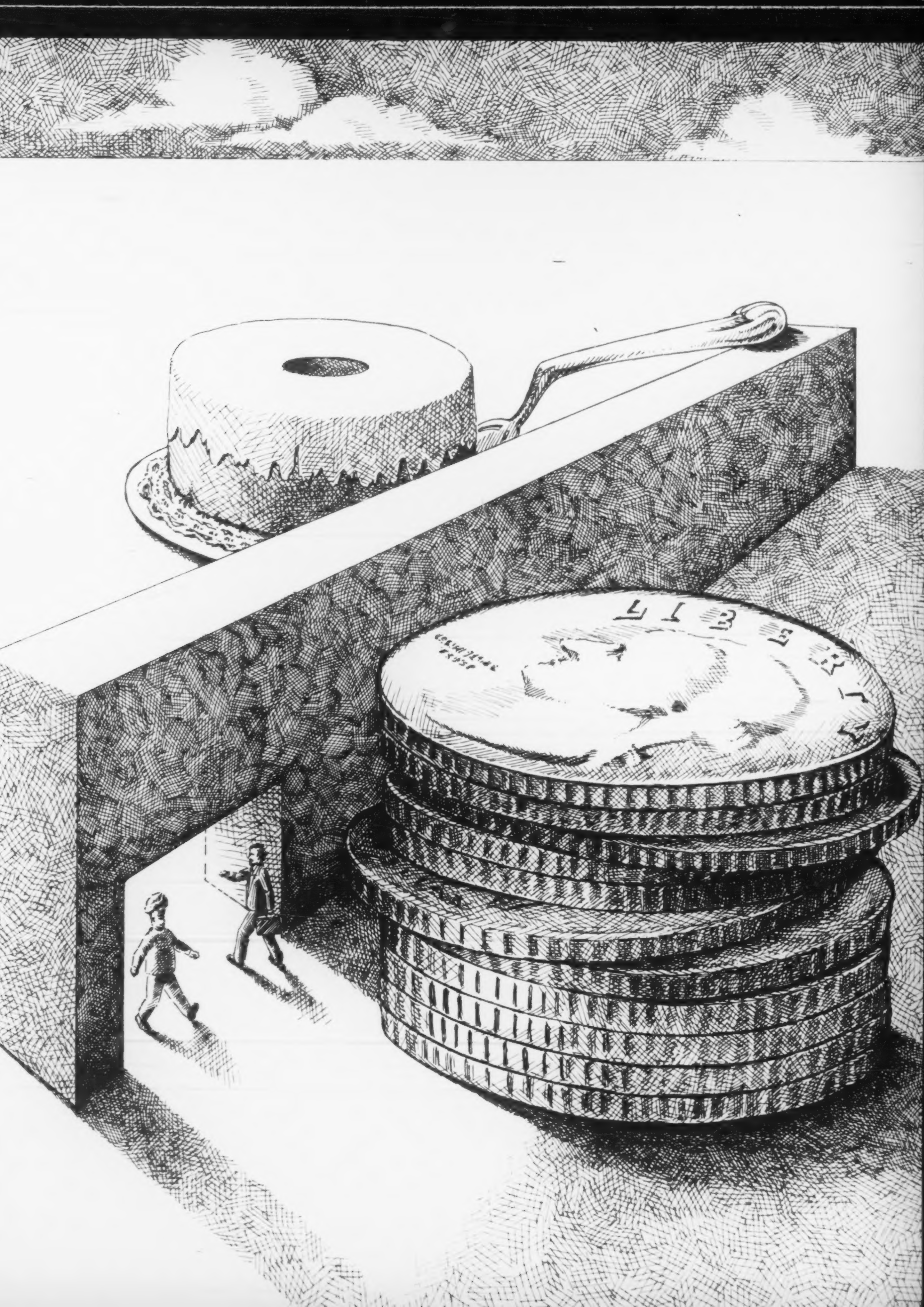
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tary, and whether there is a financial commitment on the part of the manager/partner.

Theoretically, this type of program could be instituted in a small operation with as little as one key manager (say a chef), a multi-unit chain with many managers or even a large independent restaurant with several key management people.

Financial arrangements can be structured in any number of ways as well. Ownership can be transferred in the form of stock, which can be privately or publicly held. Sometimes shares are given outright without cost. Sometimes they are sold to managers at the market rate or a discounted rate. And sometimes they are transferred over a period of years. Ownership or a share in the profits can also be given as a financial incentive in the form of stock or even cash attached to performance—say, a percentage based on increased profits or a healthier bottom line.

Typically, the stock is sold back to the company at the time of termination. The company might agree to buy back the stock at the market rate or at whatever the manager/partner paid for it.

Manager/partner programs may or may not involve a financial obligation on the part of the manager/partner. Some manager/partners run the operation, and their performance is considered "sweat equity." Other partners make a financial contribution and may even ante up money when the restaurant suffers a loss.

At Chez Melange and Fino's, in addition to a competitive salary, the chef and front-of-the-house manager/partners acquire equity in the restaurant at the rate of 2 percent per year with a cap of 10 percent in five years. This is convertible to cash when they leave. At that time, the restaurant is valued, and the terminating partner is given a cash amount reflecting his interest. Partners at Chez Melange and Fino's also receive an annual bonus—10 percent of net profit.

The typical manager/partner

Manager/partners possess special skills that are critical to the operation of the establishment or organization.

A sweet deal by another name

Chick-fil-A, Inc., has a joint-venture operating agreement that functions similarly to a manager/partner agreement with owner/operators who manage each of the organization's 427 units.

Chick-fil-A owner/operators have many of the same rights and responsibilities that manager/partners do in other restaurant companies. At Chick-fil-A they enjoy virtually total autonomy over the operation of the unit (hiring personnel, staffing operations, overseeing food costs, etc.). And they share in the rewards: a 50-50 split (with the company) of the unit's net profit.

Donald Perry, manager of public relations/publicity for Chick-fil-A, says, "Chick-fil-A is for individuals who want to be in business for themselves but not by themselves."

The relationship begins with what the company calls a "financial handshake"—a $5,000 financial commitment from the owner/operator, which is reimbursed at the time of termination. Either party has the right to terminate the agreement at any time.

In essence, the owner/operator subleases the business from Chick-fil-A, which pays for the structure and equipment and enters into a long-term lease with the land owner. All operational costs are deducted from gross sales, before profits are split.

The owner/operator receives a minimum guaranteed annual income of $20,000 during the first two years.

The concept, which has been in existence since the chain began in 1967, has been successful. The average operator income in 1989 was $55,214, and the average owner/operator tenure in the company has been almost seven years.

Typically, they have established a relationship with the company through working at the restaurant in a responsible capacity for a period of time.

At Au Bon Pain, in order to qualify for the manager/partner program, general managers must be with the company at least four months.

Manager/partners at Lettuce Entertain You have usually worked with the company in another capacity for at least two years and proven their skills, abilities and worth. Prospective manager/partners at Lettuce must also demonstrate leadership qualities, excel at what they do and develop and train a replacement. Furthermore, chef and operating partners must also know how to run a restaurant efficiently. In fact, before some managers at Lettuce become partners they might be given a restaurant to open.

Carbone, now vice president of human resources for Lettuce Entertain You and formerly a practicing psychologist, worked at the Pump Room in Chicago as a waitress during a sabbatical almost 10 years ago. Her excellent interpersonal skills caught the eye of management and eventually led to positions of increasing responsibility and partnership.

Robert Bell had at least a seven-year business association with the chef and with the front-of-the-house manager whom he made partners in Fino's.

The responsibilities

Partners often wear many hats. For instance, Russell Bry, corporate chef and partner in Lettuce Entertain You, is also the chef of (but not partner in) the Eccentric, a brasserie-like establishment in the River North area of Chicago that caters to a young professional crowd with what Bry terms "comfortable food that people will be looking for in the '90s"—a lot of grilled and roasted items.

In addition to his responsibilities at the Eccentric, Bry is responsible for bottom-line costs at the four other Lettuce restaurants in which he has a share: Scoozi, Hat Dance, Bub City and the Tucci Restaurants.

Going the extra mile is a hallmark of all types of partnerships, including manager/partner programs. According to Bry, "No matter where your shares lie, you are a partner in the company. If someone needs help, the partners rally and come to that store's aid."

In addition to wearing many hats, manager/partners must be prepared to work long and hard hours. Bry, who worked 50 to 55 hours a week when he first came on board as a corporate chef, now works 70 to 80 hours a week. His advice to would-be manager/partners: "Be prepared to work harder than you have ever worked before. It is not a job you can leave at work." ❑

LOOKING FOR HELP IN ALL THE RIGHT PLACES

DOMINO'S PIZZA
NowHiring
10145

Mike Murray found two young workers for his new Domino's through the Latter-day Saints Employment Service. Daniel Arrieta and Marvin Finley are conscientious hard workers and always on time, says Murray.

Your affiliation with one or more community group can ease your hiring problems.

by Julie Fintel

Most restaurateurs say that they find the majority of their workers in response to a help-wanted sign in the window. When Mike Murray was ready to open a Domino's in June 1990 in Silver Spring, Maryland, he put a sign in the window, too. But, in an area that had been experiencing a labor shortage, he didn't just leave it at that. He also explored other sources of labor—a church group, a youth group and apartment complexes in the neighborhood.

Two of Murray's best pizza makers were referred to him by the LDS (Latter-day Saints) Employment Services, a nonprofit service run by the Mormon Church to find jobs for members. The LDS Employment Services, which is one of the more than 70 branches of the LDS Welfare Services throughout the United States, do not charge for their service; and employers do not have to be Mormons to use it. "Because Mormons have the reputation of having integrity and honesty and of being hard workers, we are really a plus for employers," says LDS placement specialist Beverly Gourley in Marlboro, Maryland. Murray agrees. He says his two young pizza makers are conscientious hard workers and always on time.

Murray then decided to explore the area around his new Domino's. Apartment complexes were not only filled with potential customers, Murray reasoned, but with potential workers as well. To let the inhabitants know about the new Domino's opening in their area, and to let them know he was looking for help, Murray hung announcements on doorknobs. To get the word out further he used the

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Julie Fintel is a freelance writer in Burke, Virginia.

Vernon Davis, a student at West Mecklenburg High School in North Carolina and a member of Future Homemakers of America, presents his Foodservice Team's gourmet desserts at the FHA National Leadership Meeting, which included competitions.

Courtesy of Future Homemakers of America, Inc.

apartments' newsletters to announce he was holding drawings for free pizzas. He also used bulletin boards to post help-wanted notices.

As a result, Murray met a lot of the people who lived and worked in his community. Murray does advise operators who intend to spend time away from their restaurants to buy an answering machine to keep track of employment inquiries.

Finding potential employees wasn't the reason Murray signed up to sponsor a Boys' Club basketball team, but that turned out to be one of the fringe benefits. The boys and family members come to Murray when they need jobs. And when Murray was distributing his door hangers, he paid the boys to help him. Murray, who has played some basketball himself, hopes another benefit will be to cheer his Boys' Club team on to a winning season; but win or lose, the boys will be rewarded with free pizza after the games. And the Domino's logo on their uniforms will tell spectators who their sponsor is.

By getting to know his community and letting the community get to know him, Murray is finding both customers and workers. At the same time he is earning a favorable reputation.

Exploring other labor sources

Houses and apartment complexes, youth groups and church groups are just a few of the community sources for finding potential employees. Here are some others to consider:

☐ **Women's groups.** Women are entering and re-entering the workforce in ever greater numbers. Most communities have organizations dedicated to helping women become economically self-sufficient. Some of these organizations focus on minority women, some are specifically for young single mothers and some are support groups for women who find themselves suddenly needing to work—because of either changed family circumstances or financial problems. These organizations often provide training and maintain job banks for their members. In Denver, Mi Casa has a job-referral system for the youth and women in the predominantly Hispanic neighborhood it serves. In Ft. Wayne, Indiana, the Ft. Wayne Women's Bureau, an independent, not-for-profit, grassroots organization, has many services for area women, which include peer counseling, a displaced-homemaker program, and support and networking programs targeted to women business owners, minority women, minority teens, women looking for new options and women in decision-making positions.

You can also find women in your community who need employment through community colleges, YWCAs and child-care centers as well as supermarkets, libraries, craft centers and places where exercise classes are held.

☐ **Senior citizens' groups.** After they retire, many older Americans are ready for a second career or a part-time job to supplement a pension or Social Security payments. Some agencies, such as the Senior Community Service Employment Programs found in all counties in the country, train the seniors in needed skills and then help them find jobs.

To look on your own for older workers, go to senior citizens' groups at churches or community centers. Sandy Townsend, administrative coordinator of the Senior Community Service Employment Program for the American Association of Retired Persons (AARP) in Washington DC, suggests putting up notices at laundromats and convenience stores and at centers that serve free or discounted meals to older citizens. If you want to advertise, she advises, use the pennysaver papers handed out at local stores; their ads are cheap, and many seniors read these papers.

☐ **Agencies for persons with disabilities.** With the passage of the Americans with Disabilities Act (ADA), restaurateurs should be focusing more than ever on finding and hiring disabled workers. Not only are there agencies that can provide disabled workers and the help to train them, but there is also government and private funding available to aid the employer who uses disabled workers (see ***Restaurants USA***, December 1989, page 8).

In addition to state, local and private rehabilitation programs, there are

Courtesy of Ft. Wayne Women's Bureau

The Ft. Wayne Women's Bureau offers many services to women, including peer counseling, a displaced-homemaker program and networking programs. It was a sponsor of the 1990 Women's Conference held in Ft. Wayne.

associations for persons with specific disabilities, such as the National Association of Retarded Persons. Look for local chapters in your area. The National Restaurant Association's Projects with Industry can put interested foodservice operators in touch with the agencies in their areas that work with disabled persons. (Call Brother Philip Nelan in the Washington DC office for further information at 1-202-331-5900.)

☐ **Schools.** Students are still a perfect fit for foodservice because they need part-time jobs. High schools, vocational schools and colleges (especially hospitality programs) are excellent sources for workers. Get to know the guidance counselors, the team coaches and teachers. Take part in career fairs, sponsor work-study programs and offer to come to the school to talk about your business.

Trudy Marotta, senior college-relations representative for the Marriott Corporation in Bethesda, Maryland, works with two school-based organizations—Future Homemakers of America and Distributive Education Clubs of America, with the long-term goal of interesting the students in careers in the hospitality industry. But students in these two organizations often work for Marriott as part of a work-study requirement, or because when they need a job, they think of Marriott, which has sponsored competitions and conducted workshops for them.

In Massachussetts, restaurant owners and operators sit on culinary and restaurant-management program advisory boards at the vocational high schools. Most of those students begin working in foodservice at 15 years of age. During their senior year, to hone their skills and to get references, the students must spend every other week of the school year working full time in a foodservice facility—at jobs ranging from broiler cook to supervisor.

☐ **Minority groups.** There are various agencies and support groups that are good sources for finding minority workers. For example, the Urban Leagues across the country have special skill-training programs, counseling and job-placement services to help African-Americans become a vital part of the employment picture. Other organizations help Hispanics or recently arrived Asians to find work.

In Springfield, Virginia, the Vietnam Refugee Fund includes job information and placement services as part of its services to help Vietnamese settle in the area. In Commerce, California, the Mexican-American Opportunity Foundation offers similar services to Mexican-Americans. Many state employment agencies also include refugee-resettlement programs.

In addition to organizations and agencies like these, employers who want to recruit minorities can contact churches, centers where English-as-a second-language is taught or community centers, youth centers or schools in minority neighborhoods.

☐ **Others professions as employment sources.** Certain professions make good employment pools. Many teachers like to supplement their income by working at a part-time job. The Heart and Hand in Clifton, Virginia, recruits teachers for its catering services. It's almost an honored tradition that actors wait tables to earn money until their talent is discovered. Members of sports teams often enjoy working in a sports bar during off season. Networking is probably the best way to target these groups, but ads in trade newspapers or notices on bulletin boards are other good ways to reach them.

Further advice

Joan Steinberg, vice president of Marshall-Alan Associates, an executive-search firm in New York City that specializes in the hospitality industry, makes the following recommendations for working with groups as employment sources:

☐ Appoint a representative from your operation to go to the group's meetings to explain how you would like to help them.

☐ Find a point person in the group to use as a contact.

☐ Use direct mailings to reach those you consider to be potential employees. Direct-mail lists can be tailored to reach almost any segment you choose to target.

☐ Contact the newsletters or bulletins of groups you want to aim at for your help-wanted notices.

EXIT

To keep employees from leaving, talk to the ones who are quitting.

INTERVIEWS

by Jacquelyn Denalli

Turnover has always been an accepted part of doing business, but the problem is growing in significance. Today's employee is less inclined than ever to stick around for a gold watch. The average graduating college senior is likely to make more than 10 job changes in his or her career, and will probably make several career changes along the way. This increasing mobility of the American workforce presents some expensive challenges to employers, especially those in traditionally high-turnover industries, such as restaurants.

Rather than moaning over depressing statistics, savvy restaurateurs are looking for ways to reduce turnover and hold onto valuable workers. Exit interviews have proven to be worthwhile not only for employee retention but also as an evaluation tool.

"To understand why people leave the company is the first step toward correcting problems and preventing people from leaving in the future," says Larry Gray, director of employment for General Mills Restaurants, Inc., headquartered in Orlando, Florida. Even though some turnover is inevitable, such as when a spouse is transferred or when other personal problems force a resignation, most departing employees will have at least some insight to offer about your business and how to improve it.

Of course, it's not always practical to conduct an exit interview with every employee who resigns. At General Mills, formal interviews are conducted only at the management level and above. Managers are encouraged to hold a more casual interview with noncareer workers, especially if their departure is unexpected.

Joyce Steins, owner of Cafe Iguana in New York City, says there are three types of voluntary resignations: the individual who walks out in the middle of a shift, the individual who simply disappears without notice and the individual who gives notice. She conducts exit interviews with every employee who gives notice, but the tone of the interview is set by the worker's performance during the final days.

"It's been my experience that most people who give you two weeks' notice really don't want to leave," Steins observes. "We accept resignations and let them go for a week to see if their performance is in any way hampered by their decision. If it's not, we review their personnel chart and decide whether we'd like for them to stay. If we do, we use the exit interview to persuade them to stay. That gives us a chance to save employees after we've invested a lot of time and energy in them."

If the worker's overall performance has been marginal or if it drops significantly after the resignation has been tendered, the exit interview is used primarily as a tool to spot areas where the restaurant might improve operations.

> **"Usually there are underlying causes for the departure. Many times the real reason is a surprise to the person conducting the exit interview."**

An example Steins gives is of a waiter who gave notice after two-and-a-half years on the job. His reason, which did not surface until he was well into the exit interview, was that he felt there was no sense of cooperation among the waiters. He thought the situation could be resolved with additional education. Steins offered to put him in charge of waiter training; now, in addition to his serving duties, he conducts classes and writes manuals. "We took a resignation and turned it around. We retained the employee and increased his value to the team," Steins says.

Questions to ask

The exit interview at Cafe Iguana consists of 10 questions:

1. Would you come back?
2. What did you learn from working here?
3. Do you feel your training was adequate for your position?
4. Were you treated fairly?
5. If you were not treated fairly, where was the treatment lacking?
6. Was your opinion valued?
7. If your opinion was not valued, in what specific areas were you ignored?
8. What would you change about the operation?
9. How would you review your immediate supervisor?
10. Who was the manager in control of your department?

Workers are asked to complete the interview in writing before a discussion takes place. "Writing it down lets them center their thoughts," Steins explains. "Many times, people will talk too much without really saying anything. When they write things down, you have clear points that become the agenda for a meeting."

Setting the stage for the exit interview is critical to its success, says restaurant industry consultant Jim Densmore. In many cases, workers are reluctant to tell the truth about why they are leaving. "Often they put up a smokescreen by saying the pay wasn't enough, or they got a better job, or they just wanted to go else-

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where," he says. While those reasons may be valid, he suggests probing further. "A person does not start a job to quit it. Usually there are underlying causes for the departure. Many times the real reason is a surprise to the person conducting the exit interview."

Densmore advises choosing a location for the final meeting that is as private as possible; an office is preferable, but an isolated table will do. The manager should focus his or her attention entirely upon the departing employee and not allow interruptions from other workers. "Let the person know you are sincere, that you want their help to create a better working environment for their former team members," he says. "If you can put yourself in the employee's place, the interview will go well."

The depth and approach of an exit interview will vary depending on the position held by the employee. At General Mills, management-level employees are contacted by an outside agency within two weeks of their resignation, and the exit interview is conducted over the telephone. "My theory is that someone who leaves the company will be more inclined to give an honest appraisal of the operation to someone from the outside, rather than taking a chance on burning bridges with someone from the inside," Gray says. The General Mills exit interview covers four major areas:

1. Why the employee left
2. What the company could have done to prevent the person from leaving
3. How well the initial job and company description matched the reality of working there
4. Suggestions for improving the company.

"Asking for suggestions to improve our company is a back-door way of finding out why someone is leaving," Gray says. He points out that exit interviews are a waste of time if the information produced is not used. "It's a good way to get ideas. We look for trends around the company and take action on them."

Investigating complaints

Rather than dismiss specific complaints about managers and co-workers, Gray investigates them. In one case, a manager resigned, indicating that his area supervisor was not providing sufficient opportunities for communication and participation. Research revealed that the manager's assessment was correct. Although the manager was unwilling to withdraw his resignation, the area supervisor was disciplined and given further development training. In another case, a hostess left, citing problems with the restaurant manager. Her complaints were justified, the manager was terminated, and the hostess was reinstated with no loss of seniority or benefits.

Densmore recalls when, during the opening of a new restaurant, a worker who had done well in training on her first day simply didn't report on the second day. Her co-workers claimed the reason was that she did not like the work. Densmore urged the general manager to call her in for an exit interview. It turned out she was thoroughly enjoying her job, but she did not fit in with the clique formed by other employees. Those workers convinced her she was going to be terminated, and rather than face being fired, she decided to just not come back.

> **"To understand why people leave the company is the first step toward correcting problems and preventing people from leaving in the future."**

"We worked that out, and she was reinstated," says Densmore. "A couple of the other employees didn't stay with us much longer after that. It's important to remember that sometimes employees themselves will gang up on one of their team members to get rid of the person." He adds that the fear of being fired is a common reason workers leave without notice. Often a rigid rule structure is the primary reason for this problem. "Some managers have this baseball theory that 'three strikes and you're out,' but there needs to be some flexibility there," he says.

Gray agrees. "Judgment is one of the things managers are paid for," he says. "If everything were black and white, you could hire robots. In our company, we have very few policies; however, we have a lot of guidelines. We stress consistency and make sure any disciplinary action is reasonable."

A congenial parting

Although he doesn't conduct formal exit interviews, Steven Wemple, vice president and director of operations for Sailormen, Inc., a Popeye's Famous Fried Chicken franchise in Dade County, Florida, talks to managers and visits stores to track turnover and to respond to trends that may indicate a problem. He also insists on providing employees who leave with courteous, efficient treatment. "If I lose someone as an employee, that's my second concern. My first concern is that I don't lose that person as a customer," Wemple says. "Not everybody who works for Popeyes likes it. But if someone leaves, I want to make sure that our parting is as congenial as possible and that they're going to come back as a customer."

A common reason for turnover is the perception of a better opportunity somewhere else. "There are a lot of people in the hospitality industry, and they can go down the street practically any time and earn more money," says Densmore. "If you are sincere with them and give them the feeling of being a member of the family and a contributing part of the team, they'll stay with you." ❑

#111

Focus groups

There is an interesting format used in the field of marketing research called the "focus group." A focus group is an assembly of not more than eight to 10 people, brought together under the direction of a moderator to discuss impressions, perceptions and meanings about a product, service, organization, industry or idea. A focus group is intended to help market researchers refine their goals and approaches in constructing further research—all for the betterment of the project under consideration. A few months ago I moderated a group that focused on the foodservice industry. The night before, I had the strangest dream about four of the people I'd meet and talk to the next morning.

Me: *Welcome, ladies and gentlemen. Today we're going to ask for some of your impressions about the foodservice industry. Let's start with Mr. Salmon (#1). What do you do?*

#1: I'm a professional spy.

Me: *A spy? What or whom do you spy on? I would think a spy would want to keep his occupation a secret so he wouldn't blow his cover.*

#1: Oh no! I readily tell people I'm a spy. That's the best cover of all; no one believes me. They all laugh, and I keep them laughing; and through it all they tell me a lot of what I want to know. You can gather a lot of intelligence when people don't take you seriously.

Me: *Well, what do you think about the foodservice industry?*

#1: I think it's too open and aboveboard. I've never seen an industry where people share so much information with one another. You have great trade press and so many seminars and conferences. There's a whole lot of information out there, and I object to it. It makes it difficult for a hardworking, honest, self-respecting spy to make a living in your industry.

Me: *Mr. Bacon (#2), what do you do?*

#2: I'm a manufacturer of alcoholic-beverage-flavored toothpaste. We currently make toothpaste that tastes like scotch, bourbon, gin and so forth.

Me: *That's incredible. Is there any market for that? Do people really want to brush their teeth with toothpaste that tastes like spirits? What about breath odor?*

#2: It's a growing market, actually. If people went to a party the night before, they can continue to savor it in the morning—with the right flavor of toothpaste. If they didn't party the night before, they can feel a little melancholy about what they missed. Of course, we have the right additives—that is, tartar-control protection, fluoride and so forth.

Me: *Well, what do you think about the foodservice industry?*

#2: It's an outstanding opportunity for me. You see, we're developing several new lines of toothpaste that haven't been marketed before. We've got our wine line—i.e., a chardonnay toothpaste, a merlot toothpaste—and we have our beer line, i.e., a malt toothpaste and several others. Guess where my distribution outlets will be? Drugstores? No way! Restaurants and taverns, that's where! Operators can sell my toothpaste at the cashier's stand, or they can give it as a departure gift to their patrons.

Me: *Miss Teriyaki (#3), what do you do?*

#3: I'm a tattoo artist and have been for 30 er . . . er . . . make that 10 years. I've got some beautiful tattoos, most of which are tattooed on me. Let me show you a few.

Me: *No! No! That's quite all right, I'll take your word for it. What do you think of the foodservice industry?*

#3: I think it's unimaginative in terms of design—both exterior design and interior design. The exteriors are too boxy and too lateral. The interiors are too plain or overdone with only one theme. Exteriors should be circular, curvilinear or at least diagonal. Interiors need more variety in design and color. There's too much sameness and me-too-ism.

Me: *Well, that's an interesting viewpoint. Mr. Lemon (#4), what do you do?*

#4: I'm a hermit.

Me: *A hermit? What do you mean, a hermit? I thought hermits lived by themselves—off somewhere away from the general population.*

#4: Well, there are two types of hermits: the solitary hermit and the relative hermit. I'm the relative type. Although I do live in a cave off in yonder mountain, I mix with the public from time to time, such as today. I heard there would be refreshments here; so here I am.

Me: *Well, what do you think of the foodservice industry?*

#4: I have mixed emotions; I eat out a lot. By that I mean I have a little fire outside the entrance to my cave, and I prepare my meals out there. On the other hand, I've become interested in this concept of home delivery. I send my carrier pigeons to restaurants with my order tucked into the message capsule. All I get back are nasty notes telling me to keep my pigeons away from the front door or that my cave is outside the delivery zone of the restaurant. Restaurants need to do a better job of cave delivery.

I woke with a start. It was just a dream. The actual focus group went much better—but not that much better!

Fisher's Law #111: When you've got something important coming up, imagine it several times and program your actions and reactions to anticipate the dynamics that could occur. It could well affect the outcome.

Got a question?

The National Restaurant Association's Information Services and Library has the answers.

Call 800/424-5156 or 202/331-5960 Monday through Friday between the hours of 9 a.m. and 5 p.m. (Eastern Standard Time) and a library specialist will be happy to assist you.

The indomitable spud

Potatoes are still America's most frequently ordered side dish.

The U.S. Department of Agriculture's Economic Research Service reports that overall per capita potato consumption has remained relatively constant over the past 20 years. However, frozen potatoes have gained ground with consumers.

In 1989, consumption of potatoes on a farm-weight basis was 123 pounds per person (about 75 pounds in retail weight). Of that total, fresh potatoes and frozen potatoes each accounted for 38 percent, and the remainder went for potato chips, shoestrings, dehydrated potatoes and canned potatoes. By comparison, in 1979 fresh potatoes accounted for 41 percent of the total, and frozen potatoes represented only 34 percent.

According to CREST,* in 1989 potatoes were consumed on about one-third of all eater occasions,** making potatoes the most-often-ordered side dish. Thirty-six percent of upscale eater occasions included potatoes, as did 34 percent of midscale occasions and 31 percent of quickservice occasions. (See chart for additional information.)

Between 1986 and 1989, orders for mashed potatoes advanced a substantial 37 percent. Restaurant orders for french fries increased a slight 3 percent, and baked/stuffed-potato orders declined by more than 10 percent.

Where ordered

French fries were most often ordered in hamburger, fish/seafood, and barbecue restaurants. Stuffed potatoes were most often ordered in midscale steak, upscale steak, and fish/seafood restaurants. And mashed potatoes were most often ordered in midscale family steak establishments and quickservice chicken restaurants.

Orders for mashed potatoes advanced a substantial 37 percent.

According to a special National Restaurant Association/CREST study, in 1988 potatoes were consumed slightly more often at dinner (48 percent of all potato orders) than at lunch (43 percent). Snacks and breakfast each accounted for a small percentage of overall potato orders. Differences in consumption by various meal periods were evident among the varieties of potatoes. Although french fries were ordered slightly more often at lunch than at dinner, other varieties were ordered more often at dinner than at lunch, such as potato skins (56 percent of orders were at dinner) and mashed potatoes (59 percent). Nearly three-fourths (74 percent) of baked/stuffed potatoes were ordered at dinner.

Popular as an off-premises item

Potatoes are often consumed off-premises, especially at home. Of the 43 percent of french fries ordered in a restaurant for off-premises consumption, 23 percent were eaten at home, 10 percent were eaten in the car and 10 percent were eaten at work and other places. On the other hand, nearly all (92 percent) baked/stuffed-potato orders were consumed in a restaurant, compared to 73 percent of potato-skin orders and 60 percent of mashed-potatoes orders.

French fries popular with children

French fries were more popular with males and patrons younger than 45. Fifty-three percent of all french-fry orders were by males, and 27 percent of all french-fry orders were by children younger than 18.

According to CREST, in 1989 potatoes were consumed on about one-third of all eater occasions, making potatoes the most-often-ordered side dish.

Potato orders by restaurant type

Potatoes are included in about one-third of restaurant orders

Order	**Industry**	**Quick-service**	**Mid-scale**	**Up-scale**
	Percent of eater occasions* on which item was ordered:			
Total potatoes	32%	31%	34%	36%
French fries	21	25	13	14
Potato skins	**	**	**	1
Baked/stuffed potatoes	3	1	7	13
Mashed potatoes	3	3	5	2
Other potatoes	4	3	8	6

**An eater occasion is one meal eaten by one person*
***less than one-half of one percent*
Source: 1989 NPD/CREST Annual Household Report

Side dishes

Potatoes are the most popular side dish

Side dish	**Percent of eater occasions* on which item was ordered:**
Potatoes	32%
Side-dish salads	12
Soup	4
Rice	2
Onion rings	1

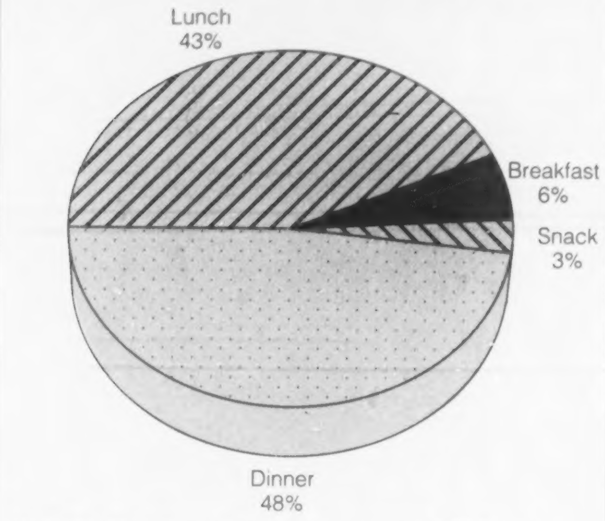
**An eater occasion is one meal eaten by one person*
Source: 1989 NPD/CREST Annual Household Report

**CREST stands for Consumer Reports on Eating Share Trends, a diary survey from one of the NPD marketing groups.*

***An eater occasion is one meal eaten by one person.*

Share of potato orders by meal period

Dinner captured the most orders



Source: 1988 National Restaurant Association/CREST study

The National Potato Board predicts that the recent democratization of Eastern Europe could spur a greater interest in menu items where potatoes are the main ingredient—such as goulash, borscht and potato pancakes.

Half of the french-fry orders were by adults between 18 and 44. In contrast, 52 percent of baked/stuffed/mashed potatoes were ordered by women, and a lower 48 percent were ordered by men. Thirty-eight percent of orders for baked/stuffed/mashed potatoes were placed by adults 55 and older, and an additional 46 percent were placed by adults between the ages of 25 and 54.

According to a 1989 national survey conducted by the National Potato Board, potato consumption in res[illegible]ts was most prevalent with steak (85 percent of adults) and hamburgers (67 percent of adults). Four out of 10 respondents ordered potatoes with fish—the same number that ordered potatoes with chicken. Although potatoes remain the most frequently ordered side dish and the one most widely consumed with various dishes, the study reports that consumption of pasta and rice have increased.

The Potato Board study found that attitudes toward potatoes have not generally changed, whereas consumer attitudes toward rice and pasta have improved. However, the National Potato Board predicts that the recent democratization of Eastern Europe could spur a greater interest in menu items where potatoes are the main ingredient—such as goulash, borscht and potato pancakes.

—Elizabeth Gordon

Spotlight on salads

Main-dish salads captured one restaurant order in 20 in 1989, while side-dish salads accounted for one in 10 orders.

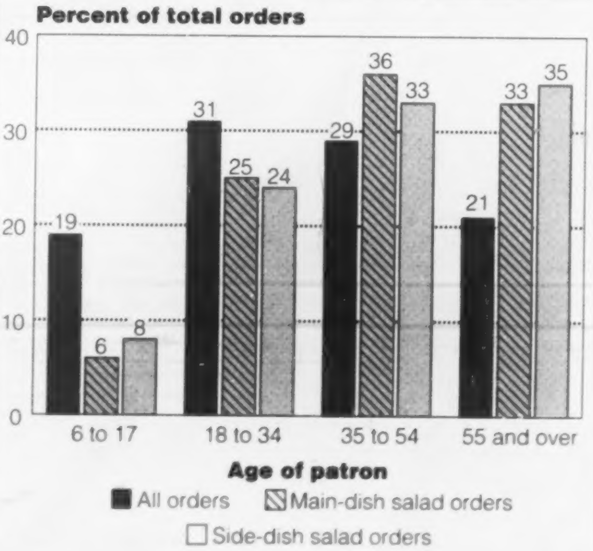
According to CREST, the number of salad orders in restaurants increased by 4 percent from 1986 to 1989 but declined by one percent in 1989. In 1989, 5 percent of restaurant orders were for main-dish salads ordered as an entree. A main-dish salad was ordered on 3 percent of quickservice restaurant eater occasions, 8 percent of upscale eater occasions and 9 percent of midscale eater occasions—particularly at midscale family steak restaurants. At midscale family steak restaurants, 35 percent of eater occasions included a main-dish salad, including 26 percent from a salad bar.

Overall, more than one customer in 10 (12 percent) ordered a salad as a side dish in 1989. Thirty-four percent of upscale eater occasions included a side salad, as did 21 percent of midscale eater occasions and 7 percent of quick-service eater occasions. Leaf side salads were ordered frequently in upscale fish/seafood restaurants, Italian restaurants and steak restaurants. Cole slaw, a side-salad selection, was ordered often from chicken, barbecue and fish/seafood restaurants. In fact, 51 percent of all quickservice fish/seafood restaurant eater occasions involved cole slaw.

Lunch accounted for 49 percent of all main-dish salad eater occasions, and dinner represented an additional 49 percent. Side-dish

Salad orders by ages

Salads are popular with mature patrons



Source: 1988 National Restaurant Association NPD/CREST survey

Per capita consumption of fresh commercial vegetables* in the United States

Vegetable consumption has been on the rise

	Vegetables			
Year	**Carrots**	**Lettuce**	**Onions and shallots****	**Tomatoes**
1982	7	24	15	11
1983	7	24	14	12
1984	8	24	15	13
1985	7	23	16	14
1986	11	24	16	15
1987	14	25	16	14
1988	12	26	17	15

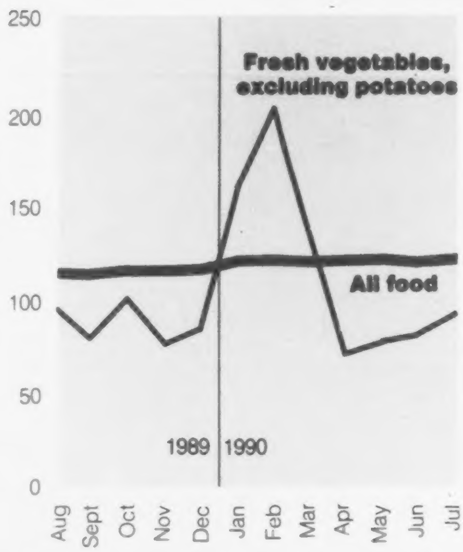
**Retail weight. Numbers have been rounded. The population figures reflect July 1 data for each year.*

***Shallots represent less than 0.05 pound. These figures also include the fresh equivalent of dehydrated onions.*

Source: U.S. Department of Agriculture, Economic Research Service

Producer price indexes

A winter freeze in December sent vegetable prices soaring, affecting an already volatile market



Note: *April to July 1990 indexes are preliminary.*

Source: Bureau of Labor Statistics

salads, on the other hand, were ordered nearly twice as often at dinner (63 percent at dinner versus 35 percent at lunch).

Quickservice and midscale orders: leaf to leaf

In 1989, 40 percent of total salad orders were in quickservice restaurants, 40 percent in midscale establishments and 20 percent in upscale eateries. Between 1986 and 1989, the total salad-order share in quickservice restaurants increased by 4 percentage points, while the midscale segment's share of orders declined by 4 percentage points. More orders for taco salads occurred in quickservice restaurants than in any other segment, but midscale establishments captured the most leaf-salad and pasta-salad orders. (See accompanying chart.)

Surge in salads on menus

According to the National Restaurant Association's menu analysis,* the number of entree salads on table-service-restaurant menus grew by 57 percent from 1984 to 1989 as did the percent of entrees that were salads (7 percent to 11 percent).

Major gains in numbers were made by Cobb, Caesar, pasta, and chicken salads. Seafood and chef's salads accounted for the largest percentage of salads in 1984 and 1989, but they both declined slightly over the years as a percentage of total salads. (Seafood dropped from 24 percent of salads in 1984 to 21 percent in 1989; chef's salads declined from 20 percent to 15 percent.)

Snapshot of a salad consumer

According to a 1988 National Restaurant Association/CREST special study, 60 percent of women ordered a main-dish salad compared to 40 percent of men. Women also ordered a side-dish salad slightly more often than men (54 percent versus 46 percent).

The majority of salads ordered in restaurants were by consumers 25 to 64 years old. Consumers 65 and older ordered 17 percent of all main-dish salads and 19 percent of all side-dish salads. Patrons 75 years old and older ordered a salad twice as often as youngsters under 6. Children 17 and younger accounted for only 6 percent of all main-dish salad or-

Vegetable prices are down

According to the Bureau of Labor Statistics' Producer Price Index, in the second quarter of 1990, prices for fresh vegetables (excluding potatoes) were 35 percent below second-quarter prices in 1989. This price drop followed a considerable 55 percent increase in fresh-vegetable prices in the first quarter of 1990 (over the same period in 1989)—a result of the early-winter freeze in December 1989. Since that time, inclement weather has had less effect on overall vegetable output.

After the freeze came spring's bounty, reports the U.S. Department of Agriculture's Economic Research Service. There were fewer disease problems in Western lettuce areas, and there was increased acreage devoted to vegetable production in both spring and summer, which boosted fresh-vegetable output and lowered prices.

**This information was taken from an analysis of randomly selected menus submitted to the National Restaurant Association's Great Menu Contest. Fifty menus were from 1984 entries and 50 menus were from 1989.*

Share of salad orders

In 1989 quickservice and midscale restaurants were leaf-to-leaf in terms of the percent of total salads ordered

	Percent of orders			
Segment	**Total salads***	**Total leaf salads***	**Total taco salads***	**Total pasta salads***
Quickservice	40%	29%	64%	44%
Midscale	40	45	20	43
Upscale	20	26	16	13
All restaurants	**100%**	**100%**	**100%**	**100%**

**includes both main and side-dish orders*

Source: NPD/CREST

Consumption profile for fresh vegetables

According to the U.S. Department of Agriculture's Economic Research Service, per capita consumption of fresh vegetables* climbed 20 percent from 1983 to 1988 to reach nearly 90 pounds. In 1988, lettuce consumption reached 26 pounds per person, onion and shallot** consumption increased to 17 pounds, and tomato consumption climbed to 15 pounds. Carrots were the only fresh vegetable not to register an increase in consumption. Carrot consumption dropped to less than 12 pounds, more than a 15 percent decline from 1987.

** Includes asparagus, broccoli, carrots, cauliflower, celery, corn, lettuce, onions, and tomatoes.*

*** Shallots, less than 0.05 pound. Includes fresh equivalent of dehydrated onions.*

What consumers say

According to the National Restaurant Association's *Attitudes Toward Nutrition in Restaurants: Assessing the Market*, the vast majority of adults (84 percent) agreed with the statement that eating a lot of fruits and vegetables was important to them. In addition, more than half (55 percent) said they had tried reduced-calorie salad dressing in the past year—an 8 percent increase over a similar study in 1986. Moreover, 58 percent said they would be likely to order reduced-calorie salad dressing in the future.

ders and 8 percent of all side-dish orders.

Older consumers included a side-dish salad with their order more often than did younger patrons. For instance, customers 65 and older included a side-dish salad with 21 percent of their orders, compared to 16 percent of orders for patrons 45 to 64 years old and 10 percent of orders for patrons 18 to 44 years old.

Main-dish salads were more likely to be ordered by consumers with an annual household income of $40,000 or more (accounting for 32 percent of main-dish salad orders) than by those in income brackets below $40,000.

—Elizabeth Gordon

A new look at metropolitan areas

The baby-boom magnets

The Population Reference Bureau's recently released population bulletin, Metropolitan America: Beyond the Transition, *looks at the population changes that have occurred in metropolitan areas throughout the United States during the 1970s and 1980s and examines how population shifts have affected these areas. As the first in a series, this article looks at a particular group of metropolitan areas defined as "baby-boom magnets."*

What do Denver (CO), Washington (DC), Houston (TX), Austin (TX), Atlanta (GA), San Francisco (CA), Dallas (TX), Colorado Springs (CO), Portsmouth (NH-ME), and Las Vegas (NV) have in common? All 10 of these metro areas were defined as "baby-boom magnets" in the Population Reference Bureau's July 1990 population bulletin, on the basis of the proportion and growth of their 25 to 40-year-old population.

In each metro area more than 27 percent of the population was born between 1945 and 1960—the peak years of the baby boom—and the population of baby-boomers in these areas grew by more than 9.5 percent between 1980 and 1985.

Because baby-boomers are in their prime working and peak earning years, these 10 metro areas present a marketing opportunity to foodservice operators located in and around them.

A closer look

Among the areas defined as baby-boom magnets, nine out of 10 were among the largest 100 metropolitan areas in the United States in 1988 (Portsmouth was the only exception). Four—San Francisco,* Dallas,* Washington DC, and Houston*—were among the largest 10, and these four plus Atlanta and Denver* were among the largest 25 metro areas.

In addition to being large, all 10 metropolitan areas posted double-digit population expansion between 1980 and 1988, and all were among the top 80 metropolitan areas in terms of population growth during that period. Within the magnet group, San Francisco recorded the smallest population growth—12.6 percent, ranking 80th among all metropolitan areas in the United States. Austin posted the highest population growth—up

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**Population data for these areas include people in their consolidated metropolitan statistical area (CSMA), a standard area defined by the Office of Management and Budget as "a large metropolitan complex" with a population of at least 1 million. The following list includes other areas tabulated within the CSMAs for the cities cited: San Francisco—also includes Oakland and San Jose, Dallas—also includes Fort Worth; Houston—also includes Brazoria and Galveston; Denver—also includes Boulder.*

Eating places in baby-boom magnet metropolitan areas
1987

Portsmouth had the lowest number of people per eating place among the baby-boom magnets

Metropolitan area	Number of eating places	Number of people per eating place	Eating-place sales ($000)
Atlanta, GA	4,085	670	$2,203,344
Austin, TX	1,251	598	558,512
Colorado Springs, CO	584	674	220,661
Dallas–Ft. Worth, TX	5,309	709	2,648,660
Denver-Boulder, CO	2,902	640	1,322,935
Houston–Galveston–Brazoria, TX	4,408	826	2,088,835
Las Vegas, NV	832	759	428,312
Portsmouth–Dover-Rochester, NH-ME	487	453	206,980
San Francisco–Oakland–San Jose, CA	10,077	600	4,667,936
Washington, DC–MD–VA	5,056	739	3,004,143
Total United States	**332,611**	**732**	**$139,281,605**

Source: *1987 Census of Retail Trade*, National Restaurant Association

39.5 percent, making it the seventh-fastest-growing metro area in the United States between 1980 and 1988.

Undoubtedly, the double-digit increase in the baby-boomer population in these areas is one reason for the rapid population expansion. Furthermore, baby-boomers are expected to remain in these areas in the years to come. According to William H. Frey, author of *Metropolitan America: Beyond the Transition*, the number of moves a person makes declines after age 40. Therefore, if these magnets can hold their attraction for baby-boomers, they are likely to benefit from the boomers settling down in the area for a good portion of their peak earning years.

The large concentration of baby-boomers (who are in their peak employment years) may also affect personal income in these areas. Seven out of 10 of the baby-boomer magnets recorded per capita personal income above the national average, which was $16,490 in 1988. Washington DC ($23,175) and San Francisco ($22,483) showed the highest per capita personal income, followed by Portsmouth ($19,285), Atlanta ($18,400), Denver ($18,256), Dallas ($17,884) and Las Vegas ($16,979). Magnets with personal income below the national average were Houston ($16,129), Colorado Springs ($15,464) and Austin ($15,342).

This high level of income in many of the areas is likely to translate into increased spending on food away from home, and restaurateurs in these areas should see the direct benefit of the baby-boomers' presence.

Why are they magnets?

Why are these 10 metropolitan areas so attractive to adults in the baby-boom generation? William H. Frey of the University of Michigan's Population Studies Center and author of *Metropolitan America: Beyond the Transition*, attributes it to several shared factors, including strong economies with numerous job opportunities, abundant urban amenities and an overall high quality of life.

According to William H. Frey, author of* Metropolitan America: Beyond the Transition, *the number of moves a person makes declines after age 40.

Restaurateurs can benefit from large boomer population

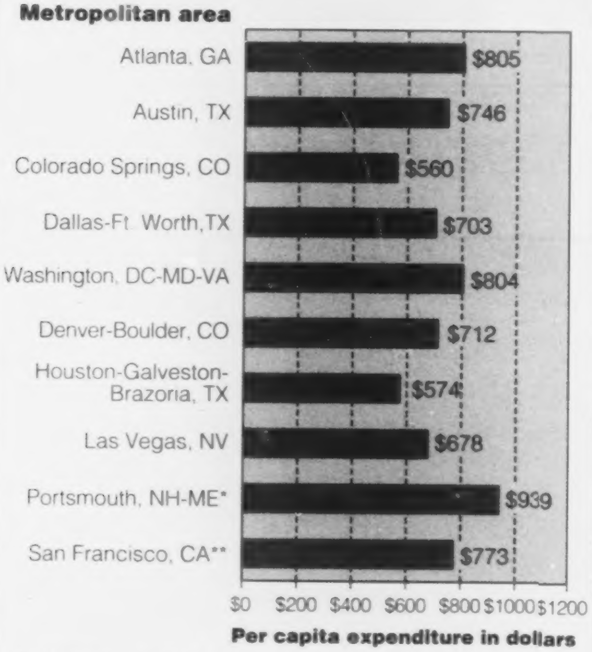
According to *1987 Census of Retail Trade* data, nine out of 10 of these baby-boomer magnets already have a higher per capita expenditure at eating places than the nation as a whole. Only Colorado Springs had per capita eating-place sales that were below the national average—$560 versus $572 per person per year. (See graph.)

Data from the *1988 Consumer Expenditure Survey* indicate that many baby-boomer households spent a large proportion of their food dollar on food away from home. Households headed by an individual between the ages of 25 and 34** with an annual income of $40,000 or more allocated 50 percent of their food budget to food away from home. A similar proportion of the food dollar (49.7 percent) was spent by households headed by an individual between the ages of 35 and 44 with the same income.**

Moreover, as the age of the household head increased, so did per capita spending on food away from home. (The income

Per capita expenditures at eating places
1987

Portsmouth had the highest per capita expenditure at eating places of all the baby-boom magnet cities



**includes Dover, NH, and Rochester, ME*

***includes Oakland, San Jose, Santa Cruz, Santa Rosa, Petaluma, Vallejo, Fairfield and Napa, CA*

Source: *1987 Census of Retail Trade;* Population Reference Bureau; *Survey of Current Business,* April 1990; National Restaurant Association

Change in inflation and menu prices in selected baby-boom magnets, 1988-1989

Of the selected baby-boom magnets, Atlanta posted the highest menu-price inflation

	Percent change in Consumer Price Index (CPI)	
Metro area	**CPI-U* all items**	**CPI-U* food away from home**
Atlanta, GA	4.7%	5.8%
Dallas–Ft. Worth, TX	2.9	3.8
Denver–Boulder, CO	1.8	5.2
Houston–Galveston–Brazoria, TX	4.2	2.2
San Francisco–Oakland–San Jose, CA	4.9	4.4
Washington, DC–MD–VA	5.8	4.4
Total United States	**4.8%**	**4.6%**

**Consumer Price Index for all urban consumers*

Source: Bureau of Labor Statistics, Consumer Price Index, 1988 and 1989

was $40,000 or more per year in all cases.) For households headed by a person between the ages of 25 and 34, per capita spending on food away from home was $899 in 1988. That figure dipped slightly for households headed by an individual between 35 and 44 ($856), most probably due to the presence of young children. Per capita spending on food away from home reached $1,026 for households headed by a person between 45 and 54 and $1,028 for households headed by a person between the ages of 55 and 64. (See sidebar for additional information about restaurant spending.)

Where baby-boomers go to eat

Clearly, baby-boomer households spend a large proportion of their food dollar on food away from home. But there are differences in eating-out preferences between younger baby-boomers (between the ages of 25 and 34) and their older counterparts (between the ages of 35 and 44). According to a 1988 National Restaurant Association CREST special study, younger boomers were more inclined to eat off-premises than were their older counterparts—53 percent compared with 49 percent. Both groups, however, are above-average users of drive-thrus, takeout and delivery.

Quickservice restaurants were by far the most frequented segment by both groups of baby-boomers. They account for 75 percent of visits by those 25 to 34 years old and 70 percent of visits by those between the ages of 35 and 44.

Older boomers recorded a substantially larger proportion of their visits to midscale restaurants than did their younger counterparts—21 percent compared with 17 percent. Upscale restaurants were visited in nearly equal proportions by both groups—8 percent of visits by persons 25 to 34 years old and 9 percent of restaurant visits

Restaurant spending

Because restaurant spending is influenced by age, income, household composition, occupation and region, the National Restaurant Association's research department has published detailed *Consumer Expenditure Survey* data in a new publication, *Restaurant Spending: Consumer Expenditures on Food Away From Home 1988.*

The report (CS730) is available to members for $25 and to nonmembers for $50 (overseas orders require a 20 percent surcharge). All orders must be prepaid.

Send a check or money order to the National Restaurant Association Publications Department, 1200 17th Street, N.W., Washington DC 20036. For credit-card orders, call the association's information services department at 1-800-424-5156 or (202) 331-5960 in Washington DC between 9 a.m. and 5 p.m. (Eastern Standard Time).

***Note that the consumer-expenditure survey data was given for households with an annual income of $40,000 or more, because they represent the largest number of households for each age category given. These data represent 22.3 percent of households headed by an individual between 25 and 34, 35.6 percent of households headed by an individual between 35 and 44, 39.4 percent of households headed by an individual between 45 and 54, and 24.2 percent of households headed by an individual between 55 and 64.*

by persons 35 to 44 years old.

Moderate-check establishments captured the lion's share of total upscale restaurant visits for both groups of boomers (77 percent and 74 percent of total upscale visits, respectively).

Both supper and lunch were popular meal periods. Supper represented 40 percent of restaurant visits for baby-boomers between 25 and 34 years old and 39 percent of visits for their older counterparts. Lunch captured 38 percent of visits for both groups. Breakfast was slightly more popular with the older boomers than with their younger counterparts, accounting for 12 percent of visits by those 35 to 44 and 11 percent of visits by those 25 to 34.

What baby-boomers eat

According to the association's special CREST study, among adults between the ages of 25 and 34, eight foods or groups of foods were ordered on more than one restaurant visit out of 10. They are, in descending order: soft drinks (36 percent), sandwiches (35 percent), french fries (19 percent), hamburgers and cheeseburgers (19 percent), breakfast foods (18 percent), pizza (14 percent), desserts (12 percent) and side-dish salads (10 percent).

Favorite foods among adults beween 35 and 44 years of age were sandwiches (33 percent), soft drinks (31 percent), breakfast foods (20 percent), hamburgers and cheeseburgers (17 percent), french fries (15 percent), pizza (12 percent), desserts (12 percent) and side-dish salads (12 percent).

—*Nancy Michalski*

Pretax income varies by size of metropolitan area

For the first time, restaurant financial and operating data are available by size of metropolitan area. According to the association's recently released Restaurant Industry Operations Report—1990, *full-menu tableservice operators in metropolitan areas with a population between 500,000 and 1,999,999 posted the highest pretax income.*

This year's National Restaurant Association *Restaurant Industry Operations Report* contains a host of restaurant-operating statistics by size of metropolitan area. Analysis of this new information reveals financial operating differences among restaurants on the basis of the size of the metropolitan area in which they are located.

Best pretax income in mid-size metro areas

In 1989 full-menu tableservice restaurants located in mid-size metropolitan areas (population of 500,000 to 1,999,999) reported a median pretax income per seat of $255—more than double the $114 per seat posted by operators in large metro areas (population of 2 million or more) and noticeably higher than the $82 per seat recorded in small metro areas (population less than 500,000).

On a ratio-to-total sales basis, full-menu tableservice establishments located in mid-size metro areas also recorded the highest median pretax income—4.7 percent of total sales. By comparison, operators in both small and large metro areas reported a lower ratio of pretax income to total sales of 1.8 percent.

Occupancy costs are critical

An important factor in these pretax-income variances among full-menu tableservice operators is restaurant occupancy costs. In 1989 full-menu tableservice survey participants located in mid-size metro areas reported a median occupation cost of $379 per seat, or 6.6 percent of total sales.

Operators in large metro areas posted a much higher median occupation cost—$559 per seat, or 7.2 percent of total sales. These higher occupancy costs were driven by larger rent expenses, reflecting the elevated rent expenses associated with locating in large metropolitan areas.

For full-menu tableservice operators located in mid-size metro areas, median rent expenses were $299 per seat, somewhat higher than the $242 per seat recorded by operators in small metro areas. However, median rent expenses

An important factor in these pretax-income variances among full-menu tableservice operators is restaurant occupancy costs.

Occupation costs at full-menu tableservice restaurants as a ratio to total sales* by size of metropolitan area, 1989

Restaurants located in metropolitan areas with a population of 2 million or more posted the highest rent expense

Occupation costs	**Metropolitan-area population**		
	Less than 500,000	**500,000-1,999,999**	**2,000,000 or more**
Rent	5.0%	5.1%	5.7%
Property taxes	0.6	0.5	0.5
Other taxes	0.4	0.3	0.4
Property insurance	1.3	1.2	1.1
Total occupation costs	**6.6%**	**6.6%**	**7.2%**

* *median values*

Source: National Restaurant Association, *Restaurant Industry Operations Report—1990*

Selected income and expenses per seat* at full-menu tableservice restaurants by size of metropolitan area, 1989

Operators in metropolitan areas with a population of 500,000 to 1,999,999 reported the highest pretax income

	Metropolitan-area population		
	Less than 500,000	**500,000 to 1,999,999**	**2,000,000 or more**
Sales			
Food	$3,551	$4,657	$6,119
Beverage	850	1,191	1,804
Total sales	*4,676*	*5,811*	*7,815*
Cost of sales			
Food	1,361	1,580	2,074
Beverage	219	314	431
Total cost of sales	*1,694*	*1,838*	*2,414*
Gross profit	3,004	3,828	5,253
Other income	44	37	28
Total income	*3,180*	*3,935*	*5,284*
Controllable expenses			
Payroll	1,422	1,687	2,232
Employee benefits	201	320	502
Direct operating expenses	289	338	432
Music and entertainment	12	20	40
Advertising and promotion	89	126	151
Utilities	159	187	233
Administrative and general	159	194	449
Repairs and maintenance	88	115	137
Total controllable expenses	*2,648*	*3,110*	*4,286*
Income before occupation costs	710	897	1,176
Occupation costs			
Rent	242	299	419
Property taxes	29	35	32
Other taxes	19	17	31
Property insurance	56	59	75
Total occupation costs	*303*	*379*	*559*
Income before interest and depreciation	347	489	495
Interest	77	73	136
Depreciation	135	147	198
Restaurant profit	$ 145	$ 244	$ 208
Other deductions	82	62	266
Income before income taxes	$ 82	$ 255	$ 114

**median values*

Source: National Restaurant Association, *Restaurant Industry Operations Report—1990*

jumped to a much higher $419 per seat for operators located in large metro areas. Although restaurants located in the large metro areas did report higher total sales per seat, the substantially higher occupancy costs associated with large metropolitan areas acted to dampen pretax income.

Controllable expenses play contributing role

A restaurant's controllable expenses include its payroll, employee benefit costs and direct operating expenses as well as utility, music, entertainment and administrative expenses. Analysis of controllable restaurant expenses by size of metro area highlights certain expenses that tend to be higher in large metro areas. For example, music and entertainment expenses accounted for 0.5 percent of total sales, or $40 per seat, at full-menu tableservice establishments in large metro areas. In comparison, entertainment expenses captured a lower 0.2 percent of total sales, or $12 per seat, at establishments in small metro areas.

This same pattern of higher expenditures in large metro areas is also apparent in restaurant administrative and general costs. This expense category, which is generally considered restaurant overhead, includes such expenses as telephone and postage, as well as commission on credit-card charges and general insurance costs. In 1989 overhead costs at full-menu tableservice establishments in large metro areas captured 5.8 percent of total sales, or $449 per seat. However, overhead costs accounted for a lower 3.6 percent of total sales, or $159 per seat, among restaurants located in small metro areas.

—Hudson Riehle

How to order the report

A copy of *Restaurant Industry Operations Report—1990* (CS955) is available to association members for $39 and to nonmembers for $78. This includes shipping and handling charges (overseas orders require a 20 percent surcharge). All orders must be prepaid.

You may order the report by sending a check or money order to the National Restaurant Association Publications Department, 1200 17th Street, N.W., Washington DC 20036. For credit-card orders, call the association's information service and library between 9:00 a.m. and 5:00 p.m. (Eastern Standard Time) at 1-800-424-5156 or (202) 331-5960 in Washington DC.

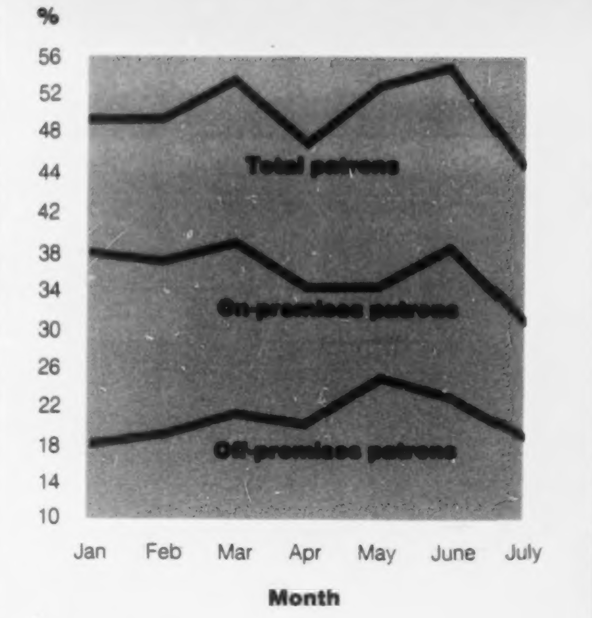
Foodservice Market Measure—July 1990

The Foodservice Market Measure posted a significant decline in foodservice patronage in July. Forty-five percent of adults reported they were patrons on a typical July day. The magnitude of the decline was unexpected. Although this level of patronage is similar to April's 47 percent, it came at the peak of summer and prior to the beginning of the Iraqi crisis, which has since driven gasoline prices upward. Preliminary sales data from the U.S. Department of Commerce indicate that the rate of gain for eating and drinking place sales may have slowed in July as well.

A major decrease occurred in the number of adults who reported eating on premises on a typical July day—down to 31 percent in July from 38 percent in June. This was the lowest level of on-premises patronage since the Market Measure was reintroduced in January 1990 and significantly below the 37 percent average for the first half of 1990. The percent of adults reporting that they purchased takeout food was down as well, although the decrease was much more modest.

A look at patronage by meal period pinpoints where the decline occurred and suggests it is related to fewer foodservice lunches during a month when many take vacations from their jobs. Lunch was the only meal period recording a significant June-to-July decrease. Furthermore, the 22 percent of adults patronizing a foodservice establishment for lunch on a typical July day was the lowest since the Market Measure was reintroduced in January 1990 and well below the 30 percent average for the first half of the year. Both on and off-premises businesses were affected by the dip in lunch patronage.

Percent of adults who were foodservice patrons in 1990



Source: National Restaurant Association Gallup Survey

Percent of adults who were foodservice patrons at lunch on a typical day
January–June 1990

	Percent of adults
Males	33%
Females	26
Employed women	29
Women not employed	17
18 to 24-year-olds	40
25 to 34-year-olds	36
35 to 44-year-olds	30
45 to 54-year-olds	27
55 to 64-year-olds	23
65+ year-olds	19
Monday	30
Tuesday	31
Wednesday	33
Thursday	30
Friday	30
Saturday	26
Sunday	26

Source: National Restaurant Association Gallup Survey

Lunch business

Market Measure data for the first six months of 1990 show how lunch patronage differs by demographic characteristics.

☐ Men, who are more likely to be in the labor force than women, are more likely to be lunch patrons.

☐ Employed women are more likely than nonworking women to be lunch patrons.

☐ Younger adults are more likely to be lunch patrons than their older counterparts.

☐ Adults are more likely to be lunch patrons during the week—when most of them are at work—than on weekends.

—Susan Mills

Foodservice Market Measure

The Foodservice Market Measure is based on 1,000 telephone interviews, conducted by the Gallup Organization each month, with a nationally representative sample of adults age 18 and older. Each person is asked the same questions:

1. Which of the following did you do yesterday?

☐ Ate on the premises of a restaurant, fast food place, cafeteria or any other place where you purchased a meal or snack.

☐ Purchased takeout food "to go" or had it delivered.

2. Was the food you ate on premises yesterday for breakfast, lunch, dinner or a snack?

3. Was the takeout food you purchased or had delivered for breakfast, lunch, dinner or a snack?

The monthly tracking of purchases is supplemented by quarterly inquiries on topics of industry interest.

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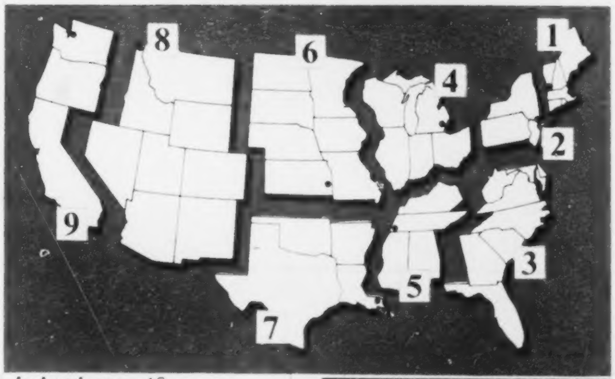


1 NEW ENGLAND

Location: Wilmington, VT
Association members: Christine and Sonny Gates
Operation: Cup and Saucer
Profile: Small, diner-style restaurant
In business: 7 years
Seats: 25 counter seats
Meals served: Breakfast, lunch, dinner—Friday through Sunday

"We have a base of local folks, but it's thinned out because of lack of work [in our area]," says co-owner **Sonny Gates.** "During the mid-week it is slow because construction is off, but the weekend business is good." Because the restaurant is situated on Route 100, there is also some tourist trade.

The Cup and Saucer, run by Gates and his wife Christine, has a loyal breakfast following for such standbys as the hot-sausage and cheddar cheese omelette.

"The same ol' fellows come in and shoot the bull—tell all the gossip in town." The restaurant's design makes it easy for the clientele to chat, says Gates. The counters are horseshoe-shaped, with lowboy stools. "You can sit around like you're at a big family table and talk," he says.

The restaurant offers a coupon promotion to encourage repeat business: A customer's fifth meal is half-price, and the 10th meal is free.

2 MID-ATLANTIC

Location: New York, NY
Association member: Michael Safdiah
Operation: The Black Sheep
Profile: Upscale restaurant offering country French cuisine
In business: 13 years
Seats: 60
Meal served: Dinner

Michael Safdiah, owner of The Black Sheep, says he has "heard horror stories about other restaurants, but we're doing O.K." Safdiah is keeping his restaurant from becoming another horror story by "spending an enormous amount of time talking with the customers to find out why they are pleased or displeased," he says. "In a city with so many restaurants—where the waiters are often merely plate carriers—we take pride in what we do, and I think that has counteracted the economic downswing."

Safdiah says he has not followed other restaurants and downscaled his operation, which serves country French cuisine that averages between $24 and $31 a meal. The clientele is 30 percent local and 70 percent destination-oriented. "More and more locals are coming in. We are in a lot of guides, and we've been here a long time. People come from California and England to eat here because their friends told them, 'When you're in New York, you have to go to The Black Sheep.' " he says.

What engenders such loyalty? Safdiah points to the atmosphere at the restaurant. "We are a very atypical New York restaurant. What makes it special is the surprise people get when they get a warm welcome," he says.

3 SOUTH ATLANTIC

Location: Marco Island, FL
Association members: Dennis Passini and Stanley Banks
Operation: The Snook Inn
Profile: Casual seafood restaurant
In business: 5 years
Seats: 190
Meals served: Lunch, dinner

"The realtors here are singing the blues, but we're 30 percent ahead of last year, and last year we were 20 percent ahead of the year before," says **Dennis Passini,** co-owner of The Snook Inn.

The restaurant's success lies in effective management and having established a good work crew, says Passini. "In '85 it was horrible to find help. But since then I've established a good crew; our people told others that we were good to work for. I haven't had to advertise for help in two years; word of mouth works best for us."

Located on the Marco River, the inn is reached by boat or car. The location is a big part of the inn's appeal, says Passini. "We have an old-Florida atmosphere with large saltwater fish tanks . . . one dining room sits right on the water. The other day we had a view of about 20 manatees right at the mouth of the river. We see dolphins all the time, too." January through April brings a lot of tourist trade, enough to go through 800 pounds of grouper a week. After the season ends, local business keeps the inn a year-round restaurant.

One of the restaurant's specials is an all-you-can-eat New England clambake dinner for $12.95.

4 EAST NORTH CENTRAL

Location: Southfield, MI
Association member: Reid Ashton
Operation: Golden Mushroom Restaurant
Profile: Upscale restaurant
In business: 15 years
Seats: 160
Meals served: Lunch, dinner

Although August was a little slow, the Golden Mushroom Restaurant was very busy this summer, says manager **Kevin Frantz.** "We get a lot of business clientele, and our reputation has spread throughout the community," he says.

The Golden Mushroom specializes in wild game and a wide variety of wild mushroom dishes; its pate de foie gras has won raves from patrons and critics. Most of the kudos can be attributed to master chef Milos Cihelka, who has been with the restaurant for 12 years.

In addition to the Golden Mushroom, owner Reid Ashton operates the more casual "Mushroom Cellar," which adjoins the fine-dining establishment.

5 EAST SOUTH CENTRAL

Location: Memphis, TN
Association member: Jerry Coletta
Operation: Coletta's Italian Restaurant, two units
Profile: Midscale, family restaurant
In business: 67 years
Seats: 175 in one unit, 185 in the other

Meals served: Lunch, dinner

Jerry Coletta, owner of two Coletta's Italian Restaurants, has worked in the original restaurant since he was a child. His grandfather opened the restaurant in 1923, then passed it on to Coletta's father. As the years passed, Coletta says, he has noted increased competition. But even with the competition, Coletta says, "Business is fine." He has also noticed that his current clientele want more value for their dollar.

The restaurant does a lot of local business and draws in customers of all ages with a billboard on Interstate 240. The ravioli—made on site—is a favorite with locals.

Coletta opened his second restaurant in 1959 and offers the same menu and food as in the original location.

6 WEST NORTH CENTRAL

Location: Fort Scott, KS
Association members: Joyce and Karl Flanner
Operation: Flanner's Owl Roost
Profile: Midscale restaurant
In business: 6 years
Seats: 104
Meals served: Breakfast, lunch, dinner

Several industry closings in Fort Scott, Kansas, have caused the town to shrink from 10,000 residents to 7,500. Some restaurants have shut down because of this exodus, but business is still good at Flanner's Owl Roost, says co-owner **Karl Flanner.** "We have a steady clientele of locals—older folks who are real faithful customers," he says.

Flanner's restaurant is located on Highway 69, the only way to enter Fort Scott from the south, so the restaurant gets a lot of highway traffic and tourists visiting the historical fort for which the town is named. When Flanner bought the restaurant in 1984, then called The Owl's Roost, he inherited more than 200 owls—in pictures and as planters, candle holders, pewter statues and cups. "Owls don't really appeal to me, but everyone in town was used to them. So we just tacked on Flanner's to the Owl Roost to get our name. We've also collected some other owl things since we've been here," says Flanner.

Being surrounded by owls sometimes prompts unusual requests. "People ask us if we sell owl eggs, and they make a lot of jokes. It gives everybody something to talk about," he adds.

7 WEST SOUTH CENTRAL

Location: Manchac, LA
Association members: Susie and Joe Lamonte, Helen and Dick Smith
Operation: Middendorf's
Profile: Two midscale seafood restaurants, side by side
In business: 56 years
Seats: 200 in each restaurant
Meals served: Lunch, dinner

"We're doing better every year," says **Susie Lamonte,** co-owner of Middendorf's. "We're past the slump. It's been the lowest it's going to be, and we've adjusted to what we have to do to maintain business."

The circa-1935 roadside cafe was opened by Lamonte's grandparents—the Middendorfs. It then passed to Lamonte's parents and finally to her and her husband in 1976. Lamonte has worked in the restaurant, which specializes in Louisiana seafood, for 20 years. "It's wonderful working with your family; I wouldn't want to work with anyone else," she says.

Lamonte operates two restaurants, 200 feet apart. "There is the main restaurant and then one we open on weekends for overflow. Both have the same menu and same food. We just chose not to connect them," she says.

Middendorf's is about 45 minutes away from the Big Easy. Now that the Aquarium of the Americas has opened, Lamonte says she has noticed a pick-up in business.

8 MOUNTAIN

Location: Bonners Ferry, ID
Association member: Kris Quillin
Operation: 3-Mile's Cafe
Profile: Midscale family restaurant
In business: 11 years
Seats: 53
Meals served: Breakfast, lunch, dinner

This restaurant—aptly named since it is three miles north of Bonners Ferry—is enjoying good business, according to owner **Kris Quillin.** What she is not enjoying is the shortage of help.

"We are definitely (and you can put that in all caps) experiencing a labor shortage," she says. Although she has advertised in bigger cities trying to find employees, people often don't want to relocate.

The cafe is located at the intersection of two main highways, which brings in quite a bit of traffic. In the summer, there is an even split between tourists and locals. The winter crowd consists mostly of locals, some of whom come for the all-you-can-eat fish on Friday nights.

Quillin says her cafe, which is "pretty plain and homey," provides a friendly atmosphere and lays claim to serving the "world's largest chicken-fried steak."

9 PACIFIC

Location: Marysville, WA
Association members: Beverly and Arthur Pins
Operation: Restaurant Chanticleer
Profile: Upscale restaurant
In business: 2½ years
Seats: 48
Meals served: Breakfast, lunch, dinner

"We're not doing too badly. We pay all our bills," jokes **Beverly Pins,** co-owner of Restaurant Chanticleer. "We're in a small, previously rural farming community, which is now becoming a bedroom community for Seattle. We were a little ahead of the change."

Almost all of the restaurant's business comes from Marysville or from other small towns nearby—although in the beginning local business was hard to win, says Pins. "We were told by local professionals that the locals would take about a year to come around, and they did," she says.

All the baking is done on the premises. Breakfast patrons enjoy fresh muffins and croissants with their omelettes, and the lunch crowd eats deli sandwiches on Chanticleer-made bread. The decor is country French, with whitewashed wood, pink tile and florals.

—Jennifer Batty

FOOD FOR THOUGHT

Bienvenidos a la estrella

Carl's Jr., the Anaheim-based fast food chain, has begun speaking to its Spanish customers in their own language.

The campaign includes TV spots as well as translations on menu boards and in-house advertising items at many locations. Workers at one-third of the Carl's Jr. units wear buttons that read "Bienvenidos a la estrella" —"Welcome to the star."

Even the chain's founder, Carl Karcher, is testing his Spanish skills in the ads when he signs off with "Los esperamos" ("we're waiting for you").

Although this Spanish campaign is the first for Carl's Jr., it won't be the last: More than 40 percent of the chain's customers are Hispanic.

—Los Angeles Times

Fly-thru fast food?

Drive-thru windows at fast food restaurants are almost mandatory in today's convenience-driven economy, but few establishments expect a landing. At a McDonald's in Charlotte, North Carolina, a 100-foot-tall hot-air balloon set down in a nearby field one morning when two passengers got hungry for a McDonald's breakfast.

Once safely on the ground, passenger Karen Hinson rushed in for the food, and then the group ascended once again to dine "al fresco."

—The Washington Times

Kentucky-Fried facelift

The home for finger-lickin' food in Los Angeles has broken with tradition. Gone is the fake mansard roof with its oversized Colonel Sanders bucket. In its place is an avant-garde structure that resembles a pile of architectural building blocks, designed by modernists Elyse Grinstein and Jeffrey Daniels in the Frank Gehry style.

To emphasize the theatricality of the design, the building is clad in a vivid mixture of materials. The light-gray-and-green stucco facade and ribbed metal siding are topped with sloping zinc roofs of red and blue and highlighted by exposed ventilation ducts and bright-yellow balcony railings. The whole motif echoes the famous 1950s L.A. coffee shops that once dotted the city, but it has been redone in a 1990s idiom.

The two-story restaurant is radical in its interior layout as well. Customers order at the ground-floor counter and then proceed upstairs to the airy, high-ceilinged dining room lit by a large skylight and a curved glass wall. Their food is delivered by a dumbwaiter.

Above all this flash and shimmer, however, lurks one familiar, constant symbol—the bearded visage of the Colonel himself. He sits slightly askew atop the uppermost block, reminding all who pass that this is still—above all—a home to his chicken.

—Los Angeles Times

Value for the dollar

When *Travel Holiday* magazine reintroduces its "Guide to Fine Dining" in its December issue, it will be under a new title—"Good Value Dining Guide."

This new appellation is apt, because the guidebook will base its restaurant ratings almost entirely on price—to help readers seeking the best value for their dollar.

With the new approach come new categories. Ratings for service, cuisine and atmosphere have been replaced by spendability rankings: "Worth a splurge," for expensive and the best a city has to offer; "solid hits," for the best of the middle to upper-middle price range; and "great buys," where the dollar goes especially far.

More than 300 restaurants in the United States and Canada will be reviewed in the guide. Each establishment, regardless of category, will have to meet basic "good-value" requirements, including high-quality food prepared with skill and creativity, a knowledgeable and professional staff, a comfortable and appealing atmosphere, and consistency.

Restaurant evaluations will be led by Dorie Greenspan, editor of the "Food and Wine Newsletter of the James Beard Foundation," plus a team of local experts.

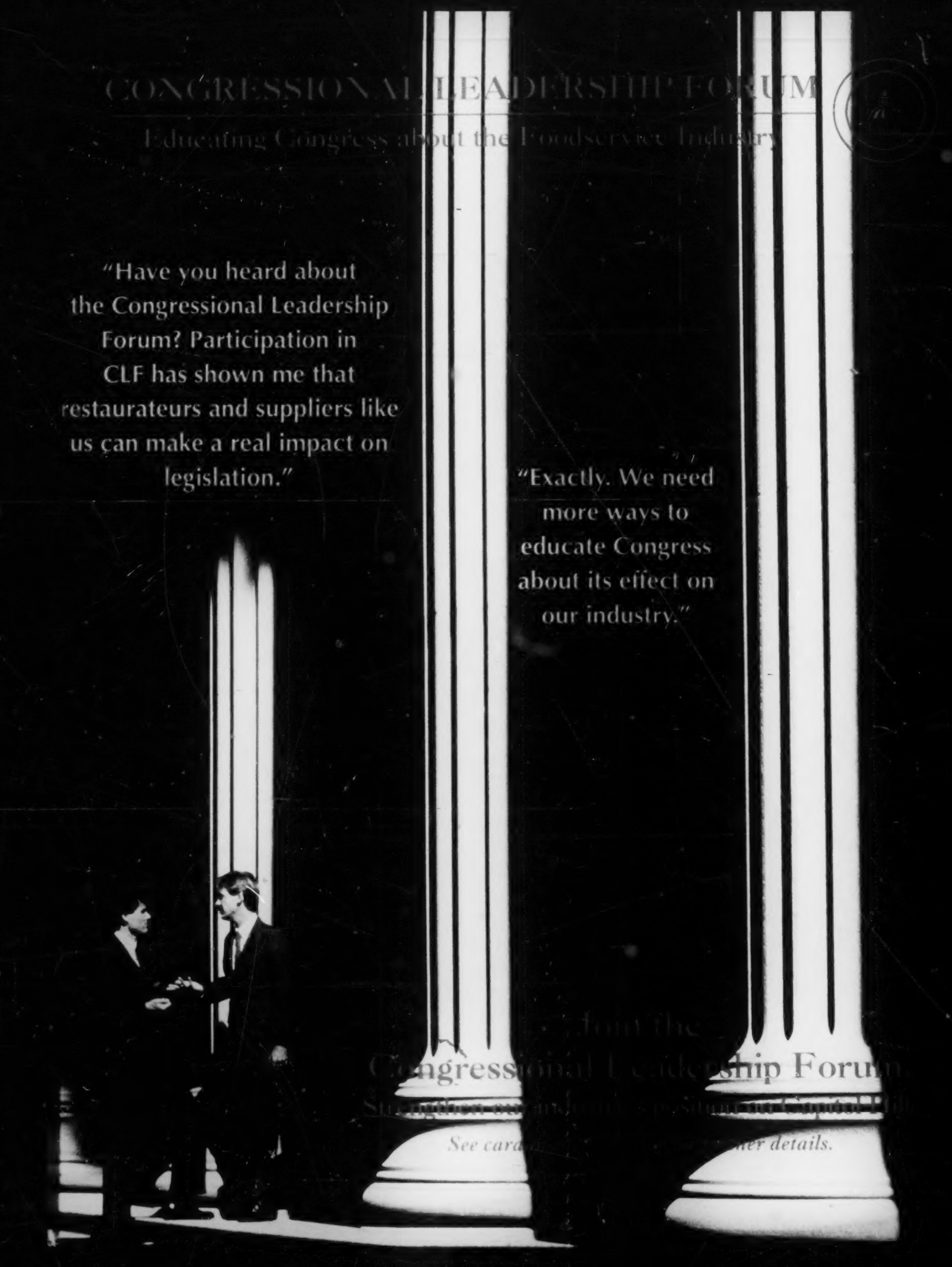
—Travel Holiday

Managers must be motivators

Managers get pulled in a hundred different directions at once; they are expected to be everything to everyone. A recent national survey of executives, however, points clearly toward management's key responsibility—motivation.

According to this survey—developed by Robert Half International and based on interviews with vice presidents and personnel directors of 100 of the nation's top 1,000 corporations—53 percent of respondents indicated that employee motivation and leadership is the most important management responsibility. Twenty-six percent of those surveyed mentioned pleasing shareholders as the primary task; and other operating tasks, such as sales and marketing, increased productivity and recruiting, accounted for a combined total of 21 percent.

—Robert Half International Inc.



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